CIRCULAR NO. A–11

PREPARATION, SUBMISSION, AND EXECUTION OF THE BUDGET

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

August 7, 2009

CIRCULAR NO. A-11
REVISED
Transmittal Memorandum No. 83

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Preparing, Submitting, and Executing the Budget

OMB Circular No. A-11 provides guidance on preparing the FY 2011 Budget and instructions on budget execution.

Your submission to OMB should further the President's goals of encouraging economic growth, investing in the future, and building a high-performing government. OMB Memorandum No. 09-20, Planning for the President's Fiscal Year 2011 Budget and Performance Plans, described the Presidents' goals and priorities for the FY 2011 Budget and provided guidance on specific deliverables for agencies.

The summary of changes to the Circular highlights the changes made since last year. This Circular supersedes all previous versions.

Peter R. Orszag
Director

Enclosure

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GUIDE TO OMB CIRCULAR NO. A–11

What is the purpose of the Circular?

Part 1: Provides an overview of the budget process. It discusses the basic laws that regulate the budget process and the terms and concepts you need to know to understand the budget process and this Circular. (Sections numbered 10 through 22)

Part 2: Covers development of the President's Budget and tells you how to prepare and submit materials required for OMB and Presidential review of agency requests and for formulation of the FY 2011 Budget, including development and submission of performance budgets for FY 2011. The performance budget replaces the annual performance plan required by the Government Performance and Results Act (see, 31 U.S.C. § 1115). A significant portion of this part focuses on the preparation of the budget *Appendix* and the related database. Detailed instructions for a number of requirements not directly related to the preparation and production of the budget are accessible through electronic links that are provided in section 25. (Sections numbered 25 through 95)

Part 3: Discusses supplementals and amendments, deferrals and Presidential proposals to rescind or cancel funds, and investments. (Sections numbered 110 through 113)

Part 4: Provides instructions on budget execution, including guidance on the apportionment and reapportionment process (SF 132), report on budget execution and budgetary resources (SF 133), and a checklist for fund control regulations. (Sections numbered 120 through 150)

Part 5: Covers Federal credit programs, including requirements related to the preparation of budget estimates and to budget execution. (Section number 185)

Part 6: Describes requirements for strategic plans and annual program performance reports and provides an overview of the performance budget. (Sections numbered 200 through 230)

Part 7: Discusses planning, budgeting and acquisition of capital assets, and tells you how to prepare and submit information on new and past acquisitions. (Section number 300)

Part 8: Contains supplementary materials. (Appendices numbered A through K)

Part 9: Provides advance guidance on changes in budget execution and a new format for the SF 133 that will be implemented in FY 2010.

How do I find information in the Circular?

The Circular groups related requirements together and presents requirements chronologically, where appropriate (e.g., instructions related to budget formulation are included in Part 2, and instructions related to budget execution are included in Part 4).

The information in each part is divided into chapters and, in some cases, subchapters. The chapters are organized into a series of sections that consist of consecutively numbered subsections. Section numbers are not repeated between parts. We reserved certain section numbers for future use, so there are gaps in the numbering scheme. Page numbers identify the section number and page within that section.

At the beginning of the Circular, there is a table of contents that identifies all the parts, chapters, sections and associated page numbers.

There is also a table of contents at the beginning of each section that identifies the subsections and exhibits contained in that section. We summarize major changes in policies and requirements at the beginning of the Circular. In addition, we describe the changes that affect each section at the beginning of that section and use vertical revision bars in the margins to highlight new requirements and significant changes. At the end of the Circular, there is an index.

OMB circulars, memoranda, and bulletins, including Circular No. A–11, are available for viewing or downloading at the following Internet address:

http://www.whitehouse.gov/omb/agency/default/

Presidential Executive Orders are available for viewing or downloading at the following Internet address:

http://www.archives.gov/federal-register/codification/numeric-executive-orders.html

The Internet version of the Circular contains a number of hyperlinks that link the various parts of A–11 with each other and other websites.

Normally, A–11 is fully revised annually. In addition, the guidance is usually updated in the fall to reflect changes and clarifications since the full revision. If you are working with a paper copy of A–11, please check the Internet to make sure you have the latest version and updates.

What agencies are covered by the Circular?

This Circular applies to all Executive departments and establishments. In addition, some of the requirements apply to the Legislative and Judicial Branches, to the District of Columbia, and to Government-sponsored enterprises.

If you want an exception to the requirements in this Circular, you must get OMB approval in advance (see section 25.2).

What common conventions does this Circular use?

When the Circular refers to a specific year, assume it is a calendar year unless otherwise noted. The following phrases and abbreviations are used to identify specific fiscal years:

Fiscal Year	Description
Past year – 1 (PY–1)	The fiscal year immediately preceding the past year.
Past year (PY)	The fiscal year immediately preceding the current year; the last completed fiscal year.
Current year (CY)	The fiscal year immediately preceding the budget year.
Budget year (BY)	The next fiscal year for which estimates are submitted.
Budget year + 1 (BY+1) *through* budget year + 9 (BY+9)	The fiscal year following the budget year *through* the ninth fiscal year following the budget year.

Special budget terms, such as budget authority, obligations, and outlays, are defined in section 20.

In Part 2, the term ***schedule*** refers to a set of data within the MAX budget database that is complete in itself and describes a view or slice of the President's Budget. Schedules are described in section 79.

Who can answer questions about the Circular?

The following table lists OMB organizational units with primary responsibility for certain sections of the Circular. You should direct general questions on the instructions and underlying concepts to these units. Direct agency-specific questions on the application of these instructions, as well as on sections not listed below, to your OMB program examiner or Resource Management Office.

OMB CONTACTS

Section No.	Description	OMB Contact	Telephone No.*
PART 2			
51.13	Justification of unobligated balances in credit liquidating accounts	Budget Analysis Branch, Budget Analysis and Systems Division	395–7864
52	Financial management information	Financial Systems Branch, Office of Federal Financial Management	395–6591
53	Information technology	Office of E-Government and Information Technology	395–0379
54	Rental payments for space and land	Transportation/GSA Branch, Transportation, Homeland, Justice, and Services Division	395–5704
PART 6	Strategic plans, performance budgets, and annual program performance reports	Performance and Personnel Management Division	395–7790
PART 7	Planning, budgeting, acquisition, and management of capital assets	Office of E-Government and Information Technology	395–0379
		Office of Federal Procurement Policy (OFPP)	395-3501
—	MAX A–11 User's Guide	Budget Systems Branch, Budget Analysis and Systems Division	395–6934

*Area code is 202

SUMMARY OF CHANGES

Note: Vertical revision bars "|" are used in the margin of the Circular to highlight new requirements and significant changes.

Section No.	Change
20.3	Updates definitions of budget terms.
20.7	Classifies new gifts and donations of money to the Government as offsets to budget authority and outlays instead of as governmental receipts; existing receipts will be reclassified but the change may not be complete for the 2011 Budget.
20.11, App. F	Clarifies that returns of cash advances received in prior fiscal years are recorded as obligations and outlays in the current fiscal year.
25	Updates the schedule of key dates for the FY 2011 Budget; initial budget submissions are due to OMB by September 14, 2009.
31	Drops requirements pertaining to the MAX electronic network and performance of commercial activities that are no longer valid (old sections 31.8 and 31.11).
31.1, 51.1	Highlights budget justification guidance provided in OMB Memorandum M-09-20.
32.1	Updates guidance on estimating the budget year pay raise costs.
32.3	Includes information on changes to the normal cost of retirement under FERS.
51.15	Updates for new requirements in the Inspector General Reform Act of 2008.
52	Aligns guidance for reporting information on Exhibit 52 with the instructions used in January, 2009 to collect financial management resource data.
53.6	Requires agencies to submit an initial draft of exhibit 53 to OMB by August 28, 2009. Draft exhibits must be submitted electronically via IT budget submission system.
53.10, exhibit 53	Simplifies exhibit 53 and drops 7 data columns.
79.2	Clarifies that PAYGO exempt portions of mandatory or revenue proposals should be reported under transmittal code 2 and adds new transmittal codes for adjustments to produce the BEA baseline and for overseas contingency operations.
80.1, 80.8	Explains how the Administration's baseline projection of current policy is developed and differs from the baseline rules in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990.
80.3	Explains how to calculate baseline estimates when Congress discontinues an advance appropriation and provides the funding for that advance in the current appropriation.
80.6	Describes the rules that apply to baseline estimates of governmental receipts.
81.2	Updates BEA data classifications and drops the third scorecard BEA data classification for mandatory and revenue proposals that are not scored as PAYGO; retains the third scorecard BEA data classification for net interest.
82.3, 82.7	Adds entries for reporting adjustments in foreign exchange valuation for the Exchange Stabilization Fund and limitations on obligations for the Transportation trust funds.
82.15	Requires additional lines to tie to amounts reported in FACTS II.
83.6	Drops the separate reporting requirement for obligations covered by statutory limitations.
83.7	Clarifies that payments for homeowners assistance are classified as grants, subsidies, and contributions in object class 41, even if paid to military personnel.

Section No.	Change
84.4	Revises the definition of line 1463-xx, U.S. Global Change Research Program.
85.5	Updates compensable days and hours used in computing FTE.
112.7	Clarifies that enacted deferrals should be placed on line 5 of the SF 132.
113.1	Recognizes that the budgetary treatments described in this section may be superseded by statutory accounting requirements.
120.38	Revises the requirements for reapportionments; after the first apportionment for the fiscal year, downward adjustments of any amount of budgetary resources do not need to be reapportioned, unless specifically required by OMB.
	Clarifies that the authority to make upward adjustments to appropriated amounts applies only after the initial apportionment for the year.
Exhibit 121A	Adds "S" for "spending authority from offsetting collections" as an option for a line split value on line 6D: Permanently not available: Other authority withdrawn (-).
123.2, 123.3	Clarifies how OMB apportions funds under a CR and specifies that the CR automatic apportionment does not apply if the House or Senate bill provided no funding for an account.
123.8	Provides a rule of thumb for calculating the historical seasonal rate of obligations.
130.12	Clarifies the treatment of unobligated balances for Treasury Appropriation Fund Symbols with extended disbursement authority.
Exhibit 135A	Adds Federal Crop Insurance Fund (Department of Agriculture), Troubled Asset Relief Program and Housing and Economic Recovery Programs (Department of the Treasury), and the National Credit Union Administration.
185.3, 185.5	Updates guidance for discounting for credit programs estimating subsidy rates for cohorts after the budget year.
185.5, 185.24	Clarifies guidance for subsidy cost estimates where the borrower's interest rate is indexed to a Treasury rate.
185.5	Clarifies requirement that agencies with non-standard terms and conditions on underlying loans need to consult with their OMB program examiner.
185.6	Clarifies requirement that both traditional and balances approach reestimates are required for each risk category/cohort, unless otherwise approved by OMB.
200	Drops references to the Performance Assessment and Rating Tool (PART).
200.4	Describes the alternative to the performance and accountability report.
210.1	Emphasizes the strategic plan's role for presenting the agency's most important performance goals over the planning horizon.
	Emphasizes personnel accountability for performance goals.
210.2	Distinguishes between strategy and means, explains the importance of both, and includes planned actions to implement and execute strategy in the strategies and means discussions.
220	Explains how GPRA and PARTWeb measures relate to the performance budget.
230.1	Allows agencies to produce either a consolidated performance and accountability report or a separate agency financial report and annual performance report.
230.2	Requires agencies to focus on trend data when preparing their annual performance report.
300.1	Notifies agencies of OMB's intent to strengthen capital programming for non-IT acquisitions.

Section No.	Change
Exhibit 300	Reduces data requirements and targets them toward decisionmaking; drops references to the high risk list, management watch list, and management agenda; drops information requirements on architecture, IT security, and privacy.
Appendix B	Updates the thresholds for submitting leaseback proposals to OMB for review and specifies that if the terms of a lease contain an upfront, lump sum payment, only the amounts associated with special features or enhancements to meet the Government's needs can be removed from the agency scoring calculation.
Appendix F	Clarifies the treatment of excess amounts of spending authority from offsetting collection used to liquidate contract authority when the excess cash amounts are not available for new obligations;
Part 9	Provides advance guidance for FY 2010 on realigning the Report on Budget Execution and Budgetary Resources, SF 133 (sections 130, 185, and Appendix F). Agencies will switch to the new format when reporting first quarter FY 2010 SF 133s in *January 2010*.

CIRCULAR NO. A–11

PART 1

GENERAL INFORMATION

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 10—OVERVIEW OF THE BUDGET

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10.1 What is the budget?

In this Circular, the term *budget* means the President's Budget—*The Budget of the United States Government*. The budget consists of several volumes that set forth the President's financial proposal with recommended priorities for allocating resources. The main *Budget* volume contains the President's Budget message and other broad statements of policy. The *Appendix* contains detailed information by agency, bureau or program group, budget accounts, programs, and activities. Other volumes, such as *Analytical Perspectives* and *Historical Tables*, provide complementary views of the budget. Most of the information contained in the budget is, or is based on, information you submit for your agency and programs in response to this Circular.

The term "budget" can mean other things in other contexts. It often refers to the full receipt and outlay proposals rather than the volumes in which these amounts are published. Some people refer collectively to the budget resolution and revenue and spending bills that the Congress passes, which we describe below, as the "congressional budget." Ultimately, the Congress and the President enact many laws that control the Government's receipts and spending, which we sometimes refer to collectively as the budget, as in "enacting the budget."

This section provides a broad overview of the budget process. You can read more about the budget process in a chapter of the *Analytical Perspectives* volume of the most recent budget, "The Budget System and Concepts." You can view or download budget documents at the following Internet address:

http://www.budget.gov/budget

10.2 What is the legal requirement to prepare the budget?

The Budget and Accounting Act requires the President to submit a budget (see section 15.2). The President formally transmits his proposals for allocating resources to the Congress through the budget. The Congress considers the recommendations and uses the information included in the budget as it drafts and passes laws that affect spending and receipts. Through this process the Government decides how much money to spend, what to spend it on, and how to raise the money it has decided to spend.

10.3 What kinds of information does the budget provide?

The budget focuses primarily on the budget year—the upcoming fiscal year for which the Congress needs to make appropriations. However, it includes data for the most recently completed year, the current year, and at least the four years following the budget year (outyears) in order to reflect the effect of budget decisions over the longer term. In addition to proposed appropriations for the budget year, the budget may include proposed changes to appropriations for the current year (supplementals and rescissions), and legislative proposals that would affect the current year, the budget year, or the outyears.

The budget provides actual or estimated data (stated in millions or billions of dollars, depending on the context) for the following:

- The amount by account that each agency may obligate the Government to pay (budget authority) and estimates of payments (outlays) by agency and account;

- The amount of receipts each agency collects from various sources;

- Budget authority, outlays, and receipts by major function of the Government, such as national defense; (This is why we assign each budget account a functional classification code(s).)

- Total budget authority, outlays, and receipts for the Government; and

- The actual or estimated surplus (when receipts exceed outlays) or deficit (when outlays exceed receipts).

The budget divides the Government totals for budget authority, outlays, and receipts into "on-budget" amounts and "off-budget" amounts. The off-budget amounts include the transactions of the Social Security trust funds and the Postal Service, which are excluded by law from the on-budget totals.

The budget arrays data in many different ways. For example, one section of the budget focuses solely on Federal investment spending. Also, while the budget focuses primarily on dollars, it also includes data on other resources, such as Federal employment levels.

10.4 Which agencies does the budget cover?

The budget covers the agencies of all three branches of Government—Executive, Legislative, and Judicial—and provides information on Government-sponsored enterprises. In accordance with law or established practice, OMB includes information on agencies of the Legislative Branch, the Judicial Branch, and certain Executive Branch agencies as submitted by those agencies without change. By longstanding practice, the budget presents information about the Board of Governors of the Federal Reserve System but does not include amounts for the Board in the budget totals, even though it is a Government agency, because of the independent status of the System. The budget includes information about the Government-sponsored enterprises, such as the Federal National Mortgage Association (Fannie Mae), but does not include them in the budget totals because they are privately owned. (Section 25 discusses the applicability of Part 2 of this Circular to various agencies.)

10.5 What happens during the Federal budget process and when?

The budget process occurs in three main phases:

- *Formulation*. During this phase, the Executive Branch prepares the President's Budget. OMB and the Federal agencies begin preparing the next budget almost as soon as the President has sent the last one to the Congress. OMB officially starts the process by sending planning guidance to Executive Branch agencies in the spring. The President completes this phase by sending the budget to the Congress on the first Monday in February, as specified in law, although occasionally Presidents have sent it later for various reasons. For example, in a year with a transition between outgoing and incoming Administrations, the timing of the President's Budget transmittal changes. (President Barack Obama transmitted his first budget, the 2010 Budget, on February 26, 2009.)

- *Congressional*. This phase starts in late January or February, when the Congress receives the President's Budget. The Congress does not vote on the President's Budget itself, and it does not enact a budget of its own, as such. It considers the President's Budget proposals, passes overall revenue and spending plan called a "budget resolution," and enacts the regular appropriations acts and other laws that control spending and receipts.

- *Execution.* This phase lasts for at least five fiscal years and includes two parts.

  - The *apportionment* part pertains to funds appropriated for that fiscal year and to balances of appropriations made in prior years that remain available for obligation. At the beginning of the fiscal year, and at such other times as necessary, OMB apportions funds—that is, specifies the amount of funds that an agency may use by time period, program, project, or activity—to Executive Branch agencies. Throughout the year, agencies hire people, enter into contracts, and enter into grant agreements, etc., in order to carry out their programs, projects, and activities. These actions use up the available funds by obligating the Federal Government to make outlays, immediately or in the future.

  - The *reporting and outlay* part lasts until funds are canceled (one-year and multiple-year funds are canceled at the end of the fifth year after the funds expire for new obligations) or until funds are totally disbursed (for no-year funds). Note: the canceled phase of annual and multi-year authority (see section 20.4(c)) or cancellations of budgetary resources in no-year accounts pursuant to 31 U.S.C. 1555 should not be confused with cancellations as a type of reduction (see section 20.4(i)).

The following tables highlight the major events in each of the phases of the budget process. These tables show the planned timing or, when applicable, the timing specified in law. The actual timing may vary from the plan. For example, the Congress frequently does not enact all appropriations acts by the start of the fiscal year, and on several occasions the President has submitted the budget later than specified for various reasons, including late enactment of appropriations for the previous fiscal year or a change in Administrations. Since budget cycles overlap, we must begin the next cycle before completing the last one.

MAJOR STEPS IN THE FORMULATION PHASE

What happens?	When?
OMB issues Spring planning guidance to Executive Branch agencies for the upcoming budget. The OMB Director issues a letter to the head of each agency providing policy guidance for the agency's budget request. Absent more specific guidance, the outyear estimates included in the previous budget serve as a starting point for the next budget. This begins the process of formulating the budget the President will submit the following February.	Spring
OMB and the Executive Branch agencies discuss budget issues and options. OMB works with the agencies to: Identify major issues for the upcoming budget; Develop and analyze options for the upcoming Fall review; and	Spring and Summer

What happens?	When?
Plan for the analysis of issues that will need decisions in the future.	
OMB issues Circular No. A–11 to all Federal agencies. This Circular provides detailed instructions for submitting budget data and materials.	July
Executive Branch agencies (except those not subject to Executive Branch review) make budget submissions. See section 25.	September*
Fiscal year begins. The just completed budget cycle focused on this fiscal year. It was the "budget year" in that cycle and is the "current year" in this cycle.	October 1
OMB conducts its Fall review. OMB staff analyzes agency budget proposals in light of Presidential priorities, program performance, and budget constraints. They raise issues and present options to the Director and other OMB policy officials for their decisions.	October–November
OMB briefs the President and senior advisors on proposed budget policies. The OMB Director recommends a complete set of budget proposals to the President after OMB has reviewed all agency requests and considered overall budget policies.	Late November
Passback. OMB usually informs all Executive Branch agencies at the same time about the decisions on their budget requests.	Late November
All agencies, including Legislative and Judicial Branch agencies, enter MAX computer data and submit print materials and additional data. This process begins immediately after passback and continues until OMB must "lock" agencies out of the database in order to meet the printing deadline.	Late November to early January *
Executive Branch agencies may appeal to OMB and the President. An agency head may ask OMB to reverse or modify certain decisions. In most cases, OMB and the agency head resolve such issues and, if not, work together to present them to the President for a decision.	December *
Agencies prepare and OMB reviews congressional budget justification materials. Agencies prepare the budget justification materials they need to explain their budget requests to the responsible congressional subcommittees.	January
President transmits the budget to the Congress.	First Monday in February

*OMB provides specific deadlines for this activity.

MAJOR STEPS IN THE CONGRESSIONAL PHASE

What happens?	When?
Congressional Budget Office (CBO) reports to Budget Committees on the economic and budget outlook.	January
CBO reestimates the President's Budget based on their economic and technical assumptions.	February
Other committees submit "views and estimates" to House and Senate Budget Committees. Committees indicate their preferences regarding budgetary matters for which they are responsible.	Within 6 weeks of budget transmittal
The Congress completes action on the concurrent resolution on the budget. The Congress commits itself to broad spending and revenue levels by passing a budget resolution.	April 15

What happens?	When?
The Congress needs to complete action on appropriations bills for the upcoming fiscal year or provides a "continuing resolution" (a stop-gap appropriation law).	September 30

MAJOR STEPS IN THE EXECUTION PHASE

What happens?	When?
Fiscal year begins.	October 1
OMB apportions funds made available in the annual appropriations process and other available funds. Agencies submit apportionment requests to OMB for each budget account by *August 21* or within *10 calendar days* after the approval of the appropriation, whichever is later. OMB approves or modifies the apportionment specifying the amount of funds agencies may use by time period, program, project, or activity.	September 10 (or within 30 days after approval of a spending bill)
Agencies incur obligations and make outlays to carry out the funded programs, projects, and activities. Agencies hire people, enter into contracts, and enter into grant agreements, etc., in order to carry out their programs, projects, and activities. Agencies record obligations and outlays pursuant to administrative control of funds procedures (see Appendix H), report to Treasury (see the Treasury Fiscal Requirements Manual and section 130), and prepare financial statements.	Throughout the fiscal year
Fiscal year ends.	September 30
Expired phase (no-year funds do not have an expired phase). Agencies disburse against obligated balances and adjust obligated balances to reflect actual obligations during the period of availability. Agencies continue to record obligations and outlays pursuant to administrative control of funds procedures, report to Treasury, and prepare financial statements.	Until September 30, fifth year after funds expire.

10.6 What is the Mid-Session Review?

The law requires the President to send a report to the Congress updating budget estimates on or before July 15th. This report contains revised budget estimates resulting from changes in economic assumptions, technical reestimates, Presidential initiatives, and completed congressional actions that have occurred since transmittal of the budget. Your OMB representative will provide guidance on the development of these estimates at the appropriate time.

10.7 What are the central financial agencies?

The central financial agencies are:

- The Office of Management and Budget (OMB), in the Executive Office of the President;
- The Department of the Treasury, Financial Management Service (FMS);
- The Congressional Budget Office (CBO), in the Legislative Branch; and
- The Government Accountability Office (GAO), in the Legislative Branch.

10.8 What are the responsibilities and functions of OMB?

OMB's predominant mission is to assist the President in overseeing the preparation of the President's Budget and to supervise its administration by the Executive Branch agencies. OMB evaluates the effectiveness of agency programs, policies, and procedures, assesses competing funding demands among agencies, and sets funding priorities. OMB ensures that agency reports, rules, testimony, and proposed legislation are consistent with the President's Budget and with Administration policies.

In addition, OMB oversees and coordinates the Administration's procurement, financial management, and information and regulatory policies. In each of these areas, OMB's primary role is to improve administrative management, develop better performance measures and coordinating mechanisms, and reduce any unnecessary burdens on the public.

For further information, refer to the OMB web site at http://www.whitehouse.gov/omb.

10.9 What are the responsibilities and functions of the Treasury?

Treasury, acting through FMS:

- Disburses 950 million Federal payments like Social Security, veterans' benefits, and income tax refunds to more than 100 million people; (The Defense Department does not use FMS to disburse its funds.)
- Collects more than $2 trillion in Federal revenues;
- Oversees a daily cash flow of $10 billion;
- Provides centralized debt collection services to most Federal agencies; and
- Provides Government-wide accounting and reporting.

FMS gathers and publishes Government-wide financial information that is used by the public and private sectors to monitor the Government's financial status and establish fiscal and monetary policies. These publications include: the Daily Treasury Statement; the Monthly Treasury Statement; the Treasury Bulletin; the Combined Statement; and the Financial Report of the U.S. Government, which is the Federal Government's set of audited financial statements, a requirement of the Government Management and Reform Act of 1994.

For further information, refer to the FMS web site at http://www.fms.treas.gov/.

10.10 What are the responsibilities and functions of CBO?

CBO was created by the Congressional Budget and Impoundment Control Act of 1974. CBO's mission is to provide the Congress with the objective, timely, non-partisan analyses needed for economic and budget decisions and with the information and estimates required for the congressional budget process. CBO prepares analyses and estimates relating to the budget and the economy and presents options and alternatives for the Congress to consider but does not make recommendations on policy. CBO's services can be grouped into four categories: helping the Congress formulate a budget plan; helping it stay within that plan; helping it assess the impact of Federal mandates; and helping it consider issues related to the budget and economic policy.

For further information, refer to the CBO web site at http://www.cbo.gov/.

10.11 What are the responsibilities and functions of GAO?

GAO is the investigative arm of the Congress. GAO helps the Congress meet its Constitutional responsibilities and helps improve the performance and accountability of the Federal Government for the American people. GAO examines the use of public funds, evaluates Federal programs and activities, and provides analyses, options, recommendations, and other assistance to help the Congress make effective oversight, policy, and funding decisions. In this context, GAO works to continuously improve the economy, efficiency, and effectiveness of the Federal Government through financial audits, program reviews and evaluations, analyses, legal opinions, investigations, and other services. GAO's activities are designed to ensure the Executive Branch's accountability to the Congress under the Constitution and the Government's accountability to the American people. GAO is dedicated to good government through its commitment to the core values of accountability, integrity, and reliability.

For further information, refer to the GAO web site at http://www.gao.gov/.

10.12 How do OMB, CBO, FMS, and GAO responsibilities overlap?

Here are a few examples:

- After OMB submits the President's Budget, CBO is responsible for re-estimating the budget.

- Both OMB and CBO score the costs of legislation (both appropriations and direct spending included in authorization bills). While Budget Committees have the ultimate responsibility for determining the scoring effects of legislation for Congressional enforcement, they typically rely on CBO estimates during congressional consideration of individual bills to ensure that they are consistent with the budget resolution totals. The President uses OMB estimates to determine the costs of budget-related legislation. OMB reconciles or explains differences between the two sets of discretionary estimates.

- OMB and FMS work together to establish any new Treasury accounts, both during the preparation of the Budget and after bills become laws.

- OMB provides its scoring to FMS to assist in FMS' responsibility to prepare warrants.

- OMB and FMS work together to estimate actual outlays during the course of a year.

- FMS gathers financial information through FACTS II (Federal Agencies' Centralized Trial-Balance System) that allows agencies to submit one set of accounting data (mostly budgetary, some proprietary) that fulfills the needs of the SF 133 Report on Budget Execution and Budgetary Resources, the FMS 2108 Year-End Closing Statement, and the prior-year column of the Program and Financing schedule in the President's Budget.

- OMB and FMS worked together to develop the FACTS II systems. FMS develops U.S. Standard General Ledger guidance to comply with OMB definitions.

- Both FMS and GAO provide guidelines used by financial managers as they account for Federal finances.

- OMB uses GAO audits and evaluations as part of its review of agency programs.

SECTION 15—BASIC BUDGET LAWS

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15.1 What laws govern the budget cycle?

The Federal budget cycle can be divided into three distinct phases that are generally sequential and yet intertwined. The first phase, which culminates in the transmittal of the President's budget proposals to the Congress, is called the budget formulation phase. In the next phase, the Congress acts upon laws that together constitute the enacted budget. Once the laws have been enacted, executive agencies carry out the laws in the budget execution phase. The Federal budget cycle is governed mainly by the following six laws, which we describe below:

- Budget and Accounting Act.
- Congressional Budget Act.
- Antideficiency Act.
- Impoundment Control Act.
- Government Performance and Results Act.
- Federal Credit Reform Act.

15.2 Why is the Budget and Accounting Act important?

Before enactment of this law in 1921, there was no annual centralized budgeting in the Executive Branch. Federal Government agencies usually sent budget requests independently to congressional committees with no coordination of the various requests in formulating the Federal Government's budget. The Budget and Accounting Act required the President to coordinate the budget requests for all Government agencies and to send a comprehensive budget to the Congress. It created the Bureau of the Budget, now the Office of Management and Budget (OMB), to help the President implement these requirements. It also required the President to include certain information in the budget. The Congress has amended the requirements many times and has codified them as Chapter 11, Title 31, U.S. Code. These are some of the requirements:

- "On or after the first Monday in January but not later than the first Monday in February of each year, the President shall submit a budget of the United States Government for the following fiscal year."

- "Each budget shall include a budget message and summary and supporting information. The President shall include in each budget the following...." The provision goes on to list about thirty items, such as expenditures and receipts for the past year through the fourth year following the budget year, information on debt, financial information, and information on employment levels.

- "Under regulations prescribed by the President, each agency shall provide information required by the President in carrying out this chapter. The President has access to, and may inspect, records of an agency to obtain information."

- "Estimated expenditures and proposed appropriations for the legislative branch and the judicial branch...shall be submitted to the President before October 16 of each year and included in the budget by the President without change."

15.3 How does the Congress enact the budget and what laws govern the process?

The Congress does not enact a budget, as such. The Congress reviews the President's budget and develops its budget by approving three distinctive kinds of measures:

- The Congress adopts a concurrent resolution in the spring that specifies total receipts and outlays and major categories of spending.

- Next, legislation authorizing changes in programs and in taxes are enacted consistent with the budget resolution.

- Finally, the Congress enacts appropriations in the regular appropriations bills for the up-coming fiscal year

Before the Congressional Budget Act (CBA), which was enacted in 1974, there was no annual centralized budgeting in the legislative branch. Each of the regular annual appropriations bills was acted on separately by the Congress and changes in taxes were authorized in another process. In addition, there was no established process to add up the total receipts and total spending in all the bills to reach the Federal Government's bottom line, whether it was a surplus or a deficit.

The CBA established the concurrent resolution on the budget, also known as the budget resolution, the House and Senate Budget Committees, the Congressional Budget Office, and procedures for relating individual appropriation actions to the budget totals. Also, the CBA defines some key budget terms, such as budget authority, that are used in all phases of the President's budget formulation process and the congressional budget process.

The CBA was amended extensively by a series of laws that prescribed rules and procedures (including "sequestration") designed to constrain spending and receipts legislation. The latest was the Budget Enforcement Act (BEA) which was first enacted in 1990. The most recent version of the BEA constrained legislation enacted through 2002 that would increase spending or decrease receipts. It applied to appropriations acts and other laws, so it affected almost every aspect of budgeting. Key enforcement provisions of the BEA, including the discretionary caps, expired at the end of 2002.

The BEA divided spending into two types—discretionary and mandatory—and applied different rules to each. Section 20.9 explains these rules.

15.4 What laws govern the budget execution process when funds are actually spent?

Chapters 13, 15, and 33 of Title 31, United States Code, govern the process of budget execution. Among these, the major laws are the Antideficiency Act, the Impoundment Control Act, the provisions known as the Economy Act which are found in section 1535, the provisions that govern the closing of accounts which are found in sections 1551 through 1555, and provisions of the "Miscellaneous Receipts Act," which is found in section 3302.

The Antideficiency Act requires OMB to apportion the accounts and to monitor spending; prohibits agencies from spending more than the amounts appropriated or apportioned, whichever is lower; requires that agencies control their spending; and provides penalties for overspending.

Specifically, agencies may not:

- Purchase services and merchandise *before* appropriations are enacted and accounts are apportioned;

- Enter into contracts that *exceed* the appropriation for the year or the amount apportioned by OMB, whichever is lower; or

- Pay bills when there is *no cash* in the appropriation or fund account.

The head of each agency is required to establish, by regulation, a system of administrative control of funds that:

- Restricts *both* obligation and expenditure (outlays or disbursements) from each account to the *lower of* the amount apportioned by OMB or the amount available for obligation and/or expenditure.

- Enables the head of the agency to identify the person(s) responsible for violating the Act.

There are administrative and criminal *penalties* for violating the Antideficiency Act. Also, the agency head is required to report any violations to the President, through the OMB Director; to the Congress; and to the Comptroller General. See section 145 for instructions on reporting violations.

The Impoundment Control Act, which was enacted in 1974, requires that the President notify Congress whenever an official of the Executive Branch withholds or impounds budget authority. There are two types of impoundments: the temporary *deferral* of funds and *rescission proposals* to permanently cancel spending. The Act also prescribes the rules that must be followed whenever the executive branch impounds funds. See section 112 for instructions on reporting deferrals and rescission proposals and the rules that must be followed.

15.5 What does the Government Performance and Results Act of 1993 require?

This law emphasizes managing for results by examining what a program accomplishes and how well the accomplishments match with the program's purpose and objectives. It requires agencies to prepare strategic plans, annual performance plans, and annual performance reports. Part 6 of this Circular addresses the requirements of this law.

15.6 What do I need to know about the Federal Credit Reform Act of 1990?

This law governs Federal credit programs—ones that make direct loans and loan guarantees. The Act prescribes a special budget treatment for direct loans and loan guarantees that measures their subsidy cost, rather than their cash flows. For most credit programs, Congress must provide budget authority equal to the subsidy cost in annual appropriations acts before the program can make direct loans or loan guarantees. Section 185 of this Circular address the requirements of this law, which was enacted as an amendment of Title V of the Congressional Budget Act of 1974.

SECTION 20—TERMS AND CONCEPTS

Table of Contents

Summary of Changes

Updates definitions of budget terms (section 20.3).

Classifies new gifts and donations of money to the Government as offsets to budget authority and outlays instead of as governmental receipts; existing receipts will be reclassified but the change may not be complete for the 2011 Budget (section 20.7).

Clarifies the treatment of returns of cash advances received in prior fiscal years (section 20.11).

20.1 What is the purpose of this section?

In this section, we define budget terms—such as budget authority, obligation, and outlay—that you need to know in order to understand the budget process and this Circular. We also explain certain of the terms in depth.

20.2 How do I use this section?

- If you just need a brief definition of a term commonly used in the budget process, go to the next section (section 20.3). That section lists the terms in alphabetical order.
- If you need a fuller explanation of the terms and concepts listed in the section titles of the Table of Contents above, go to sections 20.4–20.13.
- If you need to know about investing fund balances in Federal securities or other securities, go to section 113, investment transactions.
- If you need to know more about the credit terms defined in section 20.3, go to section 185, Federal credit.
- If you need definitions of performance terms, go to section 200, Overview of strategic plans, annual performance plans, and annual program performance reports.

20.3 What special terms must I know?

Advance appropriation means appropriations of new budget authority that become available one or more fiscal years beyond the fiscal year for which the appropriation act was passed. (See section 20.4(c).)

Advance funding means appropriations of budget authority provided in an appropriations act to be used, if necessary, to cover obligations incurred late in the fiscal year for benefit payments in excess of the amount specifically appropriated in the act for that year, where the budget authority is charged to the appropriation for the program for the fiscal year following the fiscal year for which the appropriations act is passed. (See section 20.4(c).)

Agency means a department or establishment of the Government for the purposes of this Circular. (Compare to bureau.)

Allowance means a lump-sum included in the budget to represent certain transactions that are expected to increase or decrease budget authority, outlays, or receipts but that are not, for various reasons, reflected in the program details. For example, the budget might include an allowance to show the effect on the budget totals of a proposal that would affect many accounts by relatively small amounts, in order to avoid unnecessary detail in the presentations for the individual accounts. The President doesn't propose that Congress enact an allowance as such, but rather that it modify specific legislative measures as necessary to produce the increases or decreases represented by the allowance.

Amendment means a proposed action that revises the President's budget request and is transmitted prior to completion of action on the budget request by the Appropriations Committees of both Houses of Congress. (See section 110.2.)

Apportionment is a plan, approved by OMB, to spend resources provided by one of the annual appropriations acts, a supplemental appropriations act, a continuing resolution, or a permanent law (mandatory appropriations). Resources are apportioned by Treasury Account Fund Symbol (TAFS). The apportionment identifies amounts available for obligation and expenditure. It specifies and limits the obligations that may be incurred and expenditures made (or makes other limitations, as appropriate) for specified time periods, programs, activities, projects, objects, or any combination thereof. An apportioned amount may be further subdivided by an agency into allotments, suballotments, and allocations.

Appropriated entitlement—See entitlement authority.

Appropriation means a provision of law (not necessarily in an appropriations act) authorizing the expenditure of funds for a given purpose. Usually, but not always, an appropriation provides budget authority (see section 20.4).

Balances of budget authority means the amounts of budget authority provided in previous years that have not been outlayed.

Baseline means a projection of the estimated receipts, outlays, and deficit or surplus that would result from continuing current law or current policies through the period covered by the budget. (See section 80.)

BEA means the Budget Enforcement Act of 1990, as amended. (See section 20.9.)

Borrowing authority is a type of budget authority that permits obligations and outlays to be financed by borrowing. (See section 20.4(b).)

Budget means the Budget of the United States Government, which sets forth the President's comprehensive financial plan and indicates the President's priorities for the Federal Government. (See section 10.1.)

Budget authority (BA) means the authority provided by law to incur financial obligations that will result in outlays. Specific forms of budget authority include appropriations, borrowing authority, contract authority, and spending authority from offsetting collections. (See section 20.4.)

Budget totals means the totals included in the budget for budget authority, outlays, receipts, and the surplus or the deficit. Some presentations in the budget distinguish on-budget totals from off-budget totals. On-budget totals reflect the transactions of all Federal Government entities, except those excluded from the budget totals by law. Off-budget totals reflect the transactions of Government entities that laws exclude from the on-budget totals (those of the Social Security trust funds and the Postal Service). The budget presents combined on- and off-budget totals to derive totals for Federal activity, sometimes called the unified budget totals. For example, see the end of the chapter "Federal Programs by Agency and Account" in the Analytical Perspectives volume of the most recent budget.

Budgetary resource means an amount available to enter into new obligations and to liquidate them. Budgetary resources are made up of new budget authority (including direct spending authority provided in existing statute and obligation limitations), and unobligated balances of budget authority provided in previous years.

Bureau means the principal subordinate organizational units of an agency.

Cash equivalent transaction means a transaction in which the Government makes outlays or receives collections in a form other than cash, or in which the outlays or receipts recorded in the budget differ from the cash because the cash does not accurately measure the value of the transaction. (See section 20.8.)

Cancellation means a proposal by the President to reduce budget resources (new budget authority or unobligated balances of budget authority) that is not subject to the requirements of Title X of the

Congressional Budget and Impoundment Control Act of 1974. Resources that are proposed by the President for cancellation cannot be withheld from obligation pending Congressional action on the proposal. The term is sometimes used more broadly to refer to any legislative action taken by the Congress to reduce budgetary resources, including rescission proposed by the President. Cancellation can either be temporary or permanent. (See section 20.4(i).)

Cancellations as a type of reduction should not be confused with the canceled phase of annual and multi-year authority (see section 20.4(c)) or cancellations of budgetary resources in no-year accounts pursuant to 31 U.S.C. 1555 (See Appendix F, line 6A).

CHIMP is an acronym for any "CHange (either a cost or a savings) In a Mandatory Program" that is proposed or enacted in an appropriations bill. OMB also uses the term MSAVER to refer to such changes in mandatory programs. Pursuant to the Budget Enforcement Act (see section 20.9) and scorekeeping guideline 3 (see Appendix A), substantive changes to or restrictions on entitlement law or other mandatory spending law specified in appropriations laws are treated as changes in discretionary spending for the purposes of scoring those appropriations laws. Once enacted, these changes are reclassified or "rebased" in the subsequent budget as mandatory spending. Under the Administration's proposed Statutory PAYGO Act of 2009, the effects of CHIMPs that alter mandatory programs or tax law in an outyear are classified as mandatory PAYGO impacts to begin with; only the revenue or outlay effects flowing from changes in current-year and budget-year mandatory programs or tax law are initially classified as discretionary before being rebased. CHIMPs are separately identified with a specific budget enforcement subcategory classification known as a "modification to a mandatory account" (see section 81.2). This classification only applies to policy estimates—not baseline estimates.

Collection means money collected by the Government that the budget records as either a governmental receipt, an offsetting collection, or an offsetting receipt (see section 20.7).

Contract authority permits you to incur obligations in advance of an appropriation, offsetting collections, or receipts to make outlays to liquidate the obligations. Typically, Congress provides contract authority in an authorizing statute to allow you to incur obligations in anticipation of the collection of receipts or offsetting collections that will be used to liquidate the obligations. (See section 20.4(b).)

Cost means the price or cash value of the resources used to produce a program, project, or activity. This term is used in many different contexts. When used in connection with Federal credit programs, the term means the estimated long-term cost to the Government of a direct loan or loan guarantee, calculated on a net present value basis, excluding administrative costs and any incidental effects on governmental receipts or outlays (see section 185). For specific instructions on estimating costs, refer to the pertinent OMB instructions: for cost principles for educational institutions, see Circular No. A–21; for estimating costs for user charges, see Circular No. A–25; for rental and construction costs of Government quarters, see Circular No. A–45; for allowable costs for audits, see Circular No. A–50; for cost estimates in performing commercial activities, see Circular No. A–76; and for cost principles for State, local and Indian Tribal Governments, see Circular No. A–97.

Credit program account means a budget account that receives and obligates appropriations to cover the subsidy cost of a direct loan or loan guarantee and disburses the subsidy amount to a financing account. (See section 185.)

Current services estimates—See baseline.

Deficit means the amount by which outlays exceed receipts in a fiscal year. It may refer to the on-budget, off-budget, or unified budget deficit. (See budget totals.)

Deferral means any executive branch action or inaction that temporarily withholds, delays, or effectively precludes the obligation or expenditure of budgetary resources. The President reports deferrals to Congress by special message. They are not identified separately in the budget. (See section 112.)

Deposit fund means an account established to record amounts held temporarily by the Government until ownership is determined (for example, earnest money paid by bidders for mineral leases) or held by the Government as an agent for others (for example, State and local income taxes withheld from Federal employees' salaries and not yet paid to the State or local government). (See section 20.12.)

Direct loan means a disbursement of funds by the Government to a non-Federal borrower under a contract that requires the repayment of such funds with or without interest. The term also includes certain equivalent transactions that extend credit. (See section 185.) (Compare to loan guarantee.)

Direct spending—See mandatory spending.

Discretionary spending means budgetary resources (except those provided to fund mandatory spending programs) provided in appropriations acts. (See section 20.9.) (Compare to mandatory spending.)

Emergency appropriation means an appropriation that Congress has designated as an emergency requirement. Under terms of most recent budget resolutions, such spending is not subject to congressional limits on discretionary spending, if it is discretionary spending, or the congressional pay-as-you-go rules, if it is mandatory.

Entitlement law means the statutory mandate or requirement of the United States to incur a financial obligation unless that obligation is explicitly conditioned on the appropriation in subsequent legislation of sufficient funds for that purpose. Entitlements are generally provided by an authorizing statute, and can include loan and grant programs. Examples include benefit payments for Social Security, Medicare, and unemployment insurance, as well as grants to states for CHIP and TANF. Some programs, such as veteran's compensation, Medicaid, SSI, and Child Nutrition are entitlements even though they are funded by appropriations acts, because the authorizing statutes for the programs unconditionally obligate the United States to make payments. These are referred to as mandatory appropriations or appropriated entitlements. Also see mandatory spending (section 20.9.)

Expenditure transfer—See transfers.

FACTS II means the Treasury Federal Agencies' Centralized Trial-balance System II. Agency staff uses this system to electronically submit the accounting data that (a) support the SF 133 Report on Budget Execution and Budgetary Resources and (b) are used for much of the initial set of past year data in MAX schedule P. (See sections 82.15 and 130.2)

Federal funds group refers to the moneys collected and spent by the Government through accounts other than those designated as trust funds. The Federal funds group includes general, special, public enterprise, and intragovernmental funds. (See section 20.12.) (Compare to trust funds group.)

Financing account means a non-budgetary account that records all of the cash flows resulting from direct loan obligations or loan guarantee commitments made on or after October 1, 1991. At least one financing account is associated with each credit program account. Separate financing accounts are required for direct loan cash flows and for guaranteed cash flows if the program account provides subsidy cost for both forms of credit. The transactions of the financing accounts are a means of financing and not included in the budget totals. (See section 185.) (Compare to liquidating account.)

Fiscal year means the Government's accounting period. It begins on October 1 and ends on September 30, and is designated by the calendar year in which it ends.

Forward funding means appropriations of budget authority that become available for obligation in the last quarter of the fiscal year for the financing of ongoing grant programs during the next fiscal year. (See section 20.4(c).)

Full-time equivalent (FTE) employment is the basic measure of the levels of employment used in the budget. It is the total number of hours worked (or to be worked) divided by the number of compensable hours applicable to each fiscal year. (See section 85.)

Functional classification means the array of budget authority, outlays, and other budget data according to the major purpose served—for example, agriculture, national defense, and transportation. (See section 79.3.)

General fund means the accounts for receipts not earmarked by law for a specific purpose, the proceeds of general borrowing, and the expenditure of these moneys. It is part of the Federal funds group.

Government sponsored enterprises means private enterprises that were established and sponsored by the Federal Government for public policy purposes. They are not included in the budget totals because they are private companies, and their securities are not backed by the full faith and credit of the Federal Government. However, the budget presents statements of financial condition for certain Government sponsored enterprises such as the Federal National Mortgage Association. (Compare to off-budget.)

Impoundment means any executive action or inaction that temporarily or permanently withholds, delays, or precludes the obligation or expenditure of budgetary resources.

Intragovernmental fund—See revolving fund.

Liquidating account means a budget account that records all cash flows to and from the Government resulting from direct loan obligations and loan guarantee commitments made prior to October 1, 1991. Unlike financing accounts, these accounts are included in the budget totals. (See section 185.) (Compare to financing account.)

Loan guarantee means any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender. The term does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions. (See section 185.) (Compare to direct loan.)

MSAVER—See CHIMP.

Mandatory appropriation—See entitlement authority.

Mandatory spending means spending controlled by laws other than appropriation acts (including spending for entitlement programs) and spending for the food stamp program. Although the BEA uses the term direct spending to mean this, mandatory spending is commonly used instead. (See section 20.9.) (Compare to discretionary spending.)

Means of financing refers to borrowing, the change in cash balances, and certain other transactions that are involved in financing a deficit. The term is also used to refer to the debt repayment, the change in cash balances, and certain other transactions involved in using a surplus. By definition, the means of financing are not treated as receipts or outlays. (See section 20.7(h).)

Non-expenditure transfer—See transfer.

Obligated balance means the cumulative amount of budget authority that has been obligated but not yet outlayed. As prescribed by 31 U.S.C. 1551, it is the amount of unliquidated obligations in an account less the amounts collectible as repayments to the account. In other words, it is unpaid obligations (which are made up of accounts payable and undelivered orders) net of accounts receivable and unfilled customers orders. (See section 20.4(g).)

Obligation means a binding agreement that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally. (See section 20.5.)

Obligation limitation means a type of budgetary resource appropriated to accounts in a manner similar to budget authority that limits the amount of budget authority already made available for obligation by another law. The obligation limitation is effectively the amount of new budget authority available for obligation for that period. Obligation limitations are common in Transportation and General Service Administration accounts.

Off-budget refers to transactions of the Federal Government that would be treated as budgetary had Congress not designated them by statute as "off-budget." Currently, transactions of the Social Security trust fund and the Postal Service fund are the only transactions that are so designated. The term is sometimes used more broadly to refer to the transactions of private enterprises that were established and sponsored by the Government, most especially "Government sponsored enterprises" such as the Federal Home Loan Banks. (Compare to on-budget.)

Offsetting collections mean payments to the Government that, by law, are credited directly to expenditure accounts and deducted from gross budget authority and outlays of the expenditure account, rather than added to receipts. Usually, they are authorized to be spent for the purposes of the account without further action by Congress. They result from business-type or market-oriented activities with the public and intragovernmental transactions with other Government accounts. The authority to spend offsetting collections is a form of budget authority. (See sections 20.4(b) and 20.7.) (Compare to receipts and offsetting receipts.)

Offsetting receipts mean payments to the Government that are deposited in offsetting receipt accounts and deducted from gross budget authority and outlays, rather than added to receipts. Usually they are deducted at the level of the agency and subfunction, but in some cases they are deducted at the level of the government as a whole. They are not authorized to be credited to expenditure accounts. The legislation that authorizes the offsetting receipts may earmark them for a specific purpose and either appropriate them for expenditure for that purpose or require them to be appropriated in annual appropriations acts before they can be spent. Like offsetting collections, they result from business-type or market-oriented activities with the public and intragovernmental transactions with other Government accounts. (See section 20.7.) (Compare to receipts and offsetting collections.)

On-budget refers to all budgetary transactions other than those designated as off-budget. (Compare to off-budget.)

Outlay means a payment to liquidate an obligation (other than the repayment of debt principal). Outlays generally are equal to cash disbursements but also are recorded for cash-equivalent transactions, such as Federal employee salaries and debt instruments. Outlays are the measure of Government spending. (See section 20.6.)

Outyear estimates mean estimates presented in the budget for the years beyond the budget year of budget authority, outlays, receipts, and other items (such as debt).

Pay-as-you-go (PAYGO) means the requirements of the BEA that result in a sequestration if the estimated combined result of legislation affecting mandatory spending or receipts is a net cost for a fiscal year. (See section 20.9.)

Public enterprise fund—See revolving fund.

Reappropriation means an extension of the availability of unobligated balances of budget authority that have expired or would otherwise expire as a result of legislation enacted subsequent to the law that provided the budget authority. (See section 20.4(h), section 121.10.)

Receipts mean collections that result from the Government's exercise of its sovereign power to tax or otherwise compel payment, and gifts of money to the Government. They are compared to outlays in calculating a surplus or deficit. (See section 20.7.) (Compare to offsetting collections and offsetting receipts.)

Reduction in budgetary resources means a *rescission* (see section 20.4(i)); *cancellation* (see section 20.4(i)); *across-the-board reduction* (see section 82.8); or *sequestration* (see section 20.9).

Refund means the return of excess payments to or by the Government. (See section 20.10.)

Reimbursable obligation means an obligation financed by offsetting collections credited to an expenditure account in payment for goods and services provided by that account. (See section 83.5.)

Rescission means a proposal by the President to reduce budgetary resources (new budget authority or unobligated balances of budget authority) pursuant to the requirements of Title X of the Congressional Budget and Impoundment Control Act of 1974. Resources that are proposed by the President for rescission may be withheld from obligation for 45 calendar days of continuous session of the Congress (excluding an adjournment of more than three days on which either House is not in session) pending congressional action on the proposal. The term is often used more broadly to refer to any legislative action taken by the Congress to reduce budgetary resources, including reductions that were not proposed pursuant to the Impoundment Control Act. Rescissions can either be temporary or permanent. (See section 20.4(i).)

Revolving fund means a fund that conducts continuing cycles of business-like activity, in which the fund charges for the sale of products or services and uses the proceeds to finance its spending, usually without requirement for annual appropriations. There are three types of revolving funds: Public enterprise funds, which conduct business-like operations mainly with the public, intragovernmental revolving funds, which conduct business-like operations mainly within and between Government agencies, and trust revolving funds, which conduct business-like operations mainly with the public. (See section 20.12.)

Scorekeeping means measuring the budget effects of legislation, generally in terms of budget authority, receipts, and outlays, for purposes of measuring adherence to the Budget or to budget targets established by Congress, as through agreement to a Budget Resolution. (See section 20.9.)

Sequestration means the cancellation of budgetary resources. The statutory Pay-As-You-Go Act of 2009, proposed by the administration, would require such cancellations if tax or mandatory spending legislation were enacted that, in total, increased projected deficits or reduced projected surpluses. Under that proposal (modeled on a similar statute in place from 1990 through 2002), selected entitlement programs were subject to across-the-board cancellations. Sequestration is intended as a threat to induce compliance with the pay-as-you-go requirement of budget neutrality. (See section 20.9.)

Special fund means a Federal fund account for receipts earmarked for specific purposes and the expenditure of these receipts. (See section 20.12.)

Spending authority from offsetting collections is a type of budget authority that permits obligations and outlays to be financed by offsetting collections (see section 20.4(b)). (Compare to offsetting collections.)

Subsidy means the estimated long-term cost to the Government of a direct loan or loan guarantee, calculated on a net present value basis, excluding administrative costs and any incidental effects on governmental receipts or outlays. (See section 185.)

Supplemental appropriation means an appropriation enacted subsequent to a regular annual appropriations act, when the need for funds is too urgent to be postponed until the next regular annual appropriations act. (See section 110.2.)

Surplus means the amount by which receipts exceed outlays in a fiscal year. It may refer to the on-budget, off-budget, or unified budget surplus. (See budget totals.)

Third Scorecard refers to the effects of a mandatory or revenue proposal that are not subject to PAYGO (see sections 79.2 and 81.2 for more information on reporting these effects in MAX.) Third scorecard effects may include:

- The PAYGO-exempt portions of mandatory or revenue proposals that require authorizing legislation, such as off-budget or emergency legislation;
- The indirect effect of mandatory or revenue proposals, including proposals that require authorizing legislation, which are not subject to PAYGO. Indirect effects include the effects on interest;
- The mandatory or revenue savings or costs that result from discretionary policies, such as the savings associated with an increased level of anti-fraud or enhanced compliance effort achieved by additional administrative or program management funding.

Transfer means to move budgetary resources from one budget account to another. Depending on the circumstances, the budget may record a transfer as an expenditure transfer, which means a transfer that involves an outlay, or as a nonexpenditure transfer, which means a transfer that doesn't involve an outlay. (See section 20.4(j).)

Transfer in the estimates means a proposal to stop funding an activity through one budget account and begin funding it through another account. A transfer in the estimates doesn't involve a transfer of budgetary resources between the accounts. (See section 20.4(k).)

Treasury Appropriation Fund Symbol (TAFS) refers to the separate Treasury accounts for each appropriation title based on the availability of the resources in the account. The TAFS is a combination of Federal account symbol and availability code (e.g., annual, multi-year, or no-year). (See section 20.4(c)).

Trust fund refers to a type of account, designated by law a trust fund, for receipts or offsetting receipts earmarked for specific purposes and the expenditure of these receipts. Some revolving funds are designated as trust funds, and these are called trust revolving funds. Trust revolving funds have no receipt account and the collections are credited directly to the expenditure account. (See section 20.12.) (Compare to special funds and revolving funds.)

Trust funds group refers to the moneys collected and spent by the Government through trust fund accounts. (See section 20.12.) (Compare to Federal funds group.)

Unexpended balance means the sum of the unobligated and obligated balances.

Unobligated balance means the cumulative amount of budget authority that is not obligated and that remains available for obligation under law. (See section 20.4(f).)

User charges are charges assessed for the provision of Government services and for the sale or use of Government goods or resources. The payers of the user charge must be limited in the authorizing legislation to those receiving special benefits from, or subject to regulation by, the program or activity beyond the benefits received by the general public or broad segments of the public (such as those who pay income taxes or customs duties). User charges are defined and the policy regarding user charges is established in OMB Circular A–25, "User Charges" (July 8, 1993). The term encompasses proceeds from the sale or use of government goods and services, including the sale of natural resources (such as timber, oil, and minerals) and proceeds from asset sales (such as property, plant, and equipment). (See section 20.7(g).)

Warrant means an official document issued by the Secretary of the Treasury, pursuant to law, that establishes the amount of appropriations approved by Congress that can be obligated and disbursed.

20.4 What do I need to know about budget authority?

(a) *Definition of budget authority*.

Budget authority (BA) means the authority provided by law to incur financial obligations that will result in outlays. This definition is the same as the one contained in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974, which Congress uses in the congressional budget process. You violate the law if you enter into contracts, issue purchase orders, hire employees, or otherwise obligate the Government to make a payment before a law has provided budget authority for that purpose (see section 145.1).

(b) *Forms of budget authority.*

Most laws provide budget authority in the form of appropriations, but some laws provide budget authority in the form of contract authority, borrowing authority, or spending authority from offsetting collections. The following table summarizes the characteristics of each form of budget authority, and the text following the table discusses them in more depth.

FORMS OF BUDGET AUTHORITY

Form of budget authority	**Summary of Characteristics**
Appropriation	• Authorizes obligations and outlays using general funds, special funds, or trust funds. • Provided in appropriations acts and other laws. • May authorize the use of cash-equivalent payments. • Not all appropriations provide budget authority.
Contract authority	• Authorizes obligations but not outlays. • Typically provided in authorizing laws with variations in the way obligations are liquidated.
Borrowing authority	• Authorizes obligations with outlays to be financed by borrowing, usually from Treasury. • Typically provided in laws that authorize business-like operations and require the borrowing to be repaid, with interest, out of the business proceeds.
Spending authority from offsetting collections.	• Authorizes obligations and outlays using offsetting collections.

Form of budget authority	Summary of Characteristics
	• Typically provided in authorizing laws. • Appropriations acts limit obligations in some cases. • Budget authority may be recorded and obligations incurred against orders from other Federal accounts only if an obligation is recorded by the paying account; obligations normally cannot be incurred against orders from the public without an advance.

(1) *Appropriations*, as a type of budget authority, permit you to incur obligations and make outlays (payments). (Not all appropriations provide budget authority, as explained below.) Congress enacts appropriations in annual appropriations acts and other laws. An appropriation may make funds available from the general fund, special funds, or trust funds, or it may authorize the spending of offsetting collections, which are credited to expenditure accounts (including revolving funds).
A law that authorizes you to incur obligations and liquidate them through cash-equivalent payments (see section 20.8) constitutes an appropriation of budget authority.

Some appropriations do not provide budget authority, because they do not provide authority to incur new obligations. Amounts appropriated to liquidate contract authority, to liquidate deficiencies, or to repay debt provide the cash needed to liquidate obligations already incurred. Because they do not authorize you to incur new obligations, they are not appropriations of budget authority, and you do not record them as such. Although there are many variations in the language providing such appropriations, usually the appropriation heading for such appropriations includes a subheading such as "(Liquidation of Contract Authority)", and the language reads something like, for "payment of obligations...."

For purposes of the Antideficiency Act, the definition of the term "appropriations" is broader. As defined by the Act, it means all new budget authority and balances of budget authority as described here.

(2) *Contract authority* permits you to incur obligations in advance of an appropriation, offsetting collections, or receipts that enable you to make outlays to liquidate the obligations. Typically, Congress provides contract authority in an authorizing statute to allow you to incur obligations in anticipation of the collection of receipts or offsetting collections that will be used to liquidate the obligations. When you receive the appropriated receipts or the collections, you replace the contract authority with the appropriation or the spending authority from the offsetting collections to cover the obligations and subsequently liquidate the obligations.

For some programs, the law authorizes you to use offsetting collections to liquidate the obligations incurred against the contract authority without further appropriation action. In a few cases, such as the foreign military sales program, the law that provides the contract authority also appropriates the receipts without further appropriation action.

For other programs, such as certain highway and airport and airway programs, Congress as a matter of custom requires you to seek an appropriation of receipts to liquidate the obligations.

In some instances, if the program does not have sufficient collections to liquidate the obligations incurred against contract authority, Congress may enact a general fund appropriation.

(3) *Borrowing authority* permits you to incur obligations and authorizes you to borrow funds to liquidate the obligations. 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 usually authorize

borrowing for business-like operations, such as the Tennessee Valley Authority, which generates and sells electrical power. Such laws require the program to repay the borrowing, with interest, out of business proceeds.

(4) *Spending authority from offsetting collections*, usually provided in permanent law, permits you to credit offsetting collections to an expenditure account (see section 20.7(d)), to incur obligations, and to make payments s using offsetting the collections.

You record spending authority from offsetting collections and the offsetting collections in the program and financing schedule of an account (see section 82.3 and 82.6). In the simplest case, you record gross budget authority equal to the cash collections for the year (lines 6800 and 6900) and record the cash collections as an offset to the budget authority (lines 8800–8896). Net budget authority equals zero in such cases. In other cases, you must adjust spending authority from cash collections to yield the amount available as budget authority. We describe these adjustments in section 82.3 (lines 5810–5862 and 6910–6962). We discuss some of these adjustments (offsetting collections credited to expired accounts, changes in uncollected customer payments from Federal sources, and amounts precluded from obligation—in more detail below.

Offsetting collections credited to expired accounts. For *annual* and *multi-year* accounts that perform reimbursable work, the spending authority from the offsetting collections belongs to the Treasury account that filled the order. (See section 20.12 for the distinction between Treasury accounts (TAFS) and budget accounts.) The availability of the spending authority is generally the same as the Treasury account to which it belongs. If the annual or multi-year Treasury account has expired, then you should NOT record the collection as new spending authority (schedule P lines 5800 and 6900) because it is not available to incur new obligations. It is not new budget authority. However, collections that belong to expired Treasury accounts are available to pay old bills, until the authority is canceled. You record collections in expired accounts as offsetting collections along with the collections in unexpired accounts (schedule P lines 8800 through 8845). You report the portion credited to expired accounts only on schedule P line 8896. For more information on determining the period of availability of budget authority, see section 20.4(c). As discussed in section 20.12), each budget account covers all the Treasury accounts with the same appropriation title. The program and financing schedule covers:

- Unexpired accounts (annual, multi-year and no-year); and
- Expired accounts.

You subtract all offsetting collections (unexpired and expired) from gross outlays to yield net outlays so that the contribution of the budget account to the Federal Government's bottom line (the surplus or deficit) can be determined.

For *no-year* accounts, you record gross new budget authority (spending authority from offsetting collections) (schedule P lines 5800 and 6900) equal to the collections for the year and record the collections (schedule P lines 8800—8845) as an offset to the budget authority.

Because offsetting collections and offsetting receipts are deducted from gross budget authority, they are referred to as negative budget authority for some purposes, such as Congressional Budget Act provisions that pertain to budget authority.

Amounts precluded from obligation. A law may preclude you from using some of the offsetting collections to incur obligations (see section 20.4(d)). In these cases, the precluded amounts are not counted as budget authority. However, you always deduct the full amount of offsetting collections (cash) from gross budget authority and gross outlays in the year you collect them, even where a law precludes you from obligating all or a portion of the collections in that year. For this reason, an account can have negative net budget authority or outlays. As a general rule, you record obligations first against new offsetting collections. To the extent that the new offsetting collections are not adequate to cover obligations, you record new budget authority from previously unavailable balances of offsetting collections, but you may not exceed the new obligation limitation, if any.

Changes in uncollected customer payments from Federal sources. You need to adjust the spending authority from cash collections if the account is authorized to perform reimbursable work for another Federal account and you incur obligations against receivables from Federal sources and unfilled customer orders from Federal sources without an advance—that is, before receiving the cash. The law allows you to incur such obligations as long as the paying account is a Federal account and an obligation is recorded against resources available to the paying account. (You cannot incur obligations against customer orders received from non-Federal sources without an advance, unless a law specifically allows it.)

In these cases, you must add any net increase in such amounts for the year to the spending authority from cash collections, or subtract any net decrease in such amounts for the year from the spending authority from cash collections, to yield the gross budget authority available to the account from offsetting collections. You also add (or subtract) the same amount to offsetting collections (cash) to yield the amount of the offset applied to gross budget authority when calculating net budget authority (see section 82.6).

When program levels remain relatively stable, the amount of reimbursements from other Federal Government accounts that is earned but not collected should remain relatively stable and any changes in uncollected customer payments from Federal sources should net to zero. Therefore, unless an account is projecting significant increases or decreases in program level, there should be no outyear estimates of changes in uncollected customer payments.

(c) *Period of availability of budget authority.*

When a law appropriates budget authority, it sets the period during which you can use it to incur new obligations. We call this the period of availability for new obligation of the budget authority, and the period normally is specified in the law providing the budget authority. The period of availability for incurring new obligations is shorter than the period of availability for making disbursements, which is covered by a general law. Each is described below.

Period of availability for incurring new obligations:

- *Annual budget authority*. This term refers to budget authority that is available for obligation during only one fiscal year or less. One year is the default period of availability for annual appropriations acts, because a general provision in each of the acts specifies that the amounts provided in the act are available for one year, unless the act expressly provides otherwise. Even if there were not such a provision, the preamble of an appropriations act says that it is for a specific fiscal year. For example, the following language in an appropriation act would provide one-year budget authority: "For expenses of the Office of the Secretary, $1,500,000."

- *Multi-year budget authority*. The language for a specific appropriation of budget authority in an appropriations act or the authorization of the appropriation may make all or some portion of the amount available for obligation for a specified period of time in excess of one fiscal year. Usually, the period covers two or more whole fiscal years, but it may cover a period that includes part of the second fiscal year. We refer to such budget authority as multi-year budget authority or, specifically, as two-year budget authority, three-year budget authority, etc. For example, if the following language appeared in an appropriations act for 2004, it would provide two-year budget authority: "For research and development, $1,500,000, to remain available until September 30, 2005."

- *No-year budget authority*. The language for a specific appropriation of budget authority or the authorization of the appropriation may make all or some portion of the amount available until expended. That means you can incur obligations against it indefinitely. We refer to this as no-year budget authority. For example, the following language provides no-year budget authority: "For construction, improvements, repair or replacement of physical facilities, $1,500,000, to remain available until expended." Authorizing laws that make appropriations seldom limit the period of availability, so most budget authority provided in authorizing laws is no-year budget authority.

Usually an appropriations act makes budget authority available beginning on October 1 of the fiscal year for which the appropriation act is passed. However, there are three types of appropriations where that is not the case.

- *Advance appropriation* means appropriations of new budget authority that become available one or more fiscal years beyond the fiscal year for which the appropriation act was passed. For example, if the following language appeared in an appropriations act for fiscal year 2007, it would provide an advance appropriation for fiscal year 2008: "For operating expenses, $1,500,000, to become available on October 1, 2007." Under current BEA scoring guidelines, new budget authority for advance appropriations is scored in the fiscal year in which the funds become available for obligation. In this example, you would record the budget authority in fiscal year 2008.

- *Advance funding* means appropriations of budget authority provided in an appropriations act to be used, if necessary, to cover obligations incurred late in the fiscal year for benefit payments in excess of the amount specifically appropriated in the act for that year, where the budget authority is charged to the appropriation for the program for the fiscal year following the fiscal year for which the appropriations act is passed. When such budget authority is used, the budget records an increase in the budget authority for the fiscal year in which it is used and a reduction in the budget authority for the following fiscal year. The following language, when added to regular appropriation language, provides advance funding: "...together with such sums as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year."

- *Forward funding* means appropriations of budget authority that are made available for obligation in the last quarter of the fiscal year for the financing of ongoing grant program during the next fiscal year. The budget records the budget authority in the fiscal year in which it is appropriated. The following language, if it appeared in an appropriation act for 2007, would provide forward funding, which would be recorded in fiscal year 2007: "... of which $2,000,000,000 shall become available on July 1, 2007 and shall remain available through September 30, 2008 for academic year 2007–2008."

Period of availability for making disbursements:

Under a general law, annual budget authority and multi-year budget authority may disburse during the first two phases of the following three phases that make up the life cycle of the budget authority.

- *Unexpired phase*. During this time period the budget authority is available for incurring "new" obligations. You may make "new" grants or sign "new" contracts during this phase and you may make disbursements to liquidate the obligations. This phase lasts for a set number of years. Annual budget authority lasts for up to one fiscal year. Multi-year authority lasts for longer periods, currently from over one fiscal year up to 15 fiscal years, and no-year authority lasts indefinitely.

- *Expired phase*. During this time period, the budget authority is no longer available for new obligations but is still available for disbursement. This phase lasts five years after the last unexpired year unless the expiration period has been lengthened by legislation. Specifically, you may not incur new obligations against expired budget authority, but you may liquidate existing obligations by making disbursements.

However, you may use the expired budget authority to make certain adjustments to obligations that were incurred before the budget authority expired. For example, you could make an upward adjustment in previously recorded obligations for transportation charges, under an agreement to pay actual transportation charges, if they turned out to be greater than originally estimated. Unless there is an exception in law, you may use expired authority to make adjustments to obligations or disbursements only during a period of five years after the last unexpired year. The expired period can be lengthened by legislation. If you have a program with a legitimate need to disburse funds for more than five years after the authority expires for obligation—for example, to make disbursements over many years under direct loan contracts, to pay termination costs under a contract, or to make payments under a lease—and your OMB representative approves, you may propose special language to disburse over a period longer than five years (see section 95.8). You may disburse during the longer period only if the special language is enacted in law.

- *Canceled phase*. After the last expired year, the account is closed, and the balances are canceled. The authority to disburse is canceled and is no longer available for any purpose. Any offsetting collections credited to the account at the time the account is canceled or subsequently must be transferred to miscellaneous receipts in the Treasury. Any old bills with valid obligations that show up after the account is closed must be obligated against and disbursed from budget authority that is available for the same general purpose but still in the unexpired phase. For example, an old bill from obligations incurred against an FY 2001 annual salaries and expense (S&E) account that arrives after the authority is canceled must be obligated and disbursed against the corresponding FY 2007 annual S&E account.

No-year authority usually stays in the unexpired phase until fully obligated and disbursed. When the purposes for which the authority was made available have been achieved, the account may be closed and the authority canceled.

(d) *Determining the amount of budget authority.*

If a law provides budget authority in a specific amount, we refer to it as definite budget authority. We consider the budget authority definite even if the language reads "not to exceed" a specified amount. You record the specified amount as budget authority. For example, this language would provide definite budget authority of $100 million: "For salaries and expenses, not to exceed $100,000,000."

If a law doesn't specify an amount of budget authority, but, instead, specifies a variable factor that determines the amount, we refer to the budget authority as indefinite. If the law provides "such sums as may be necessary" to cover the obligations resulting from an entitlement (such as unemployment insurance), record budget authority in the past year equal to the amount obligated and in other years equal to your estimate of obligations. If a law authorizes you to obligate all of the receipts from a specified source, record budget authority equal to the amount of receipts you collected in the past year and equal to amounts you estimate you will collect in other years.

If a law appropriates a specific amount to be derived from receipts, it limits the amount of budget authority actually provided to the lower of the actual receipts or the amount specified. For example, if the language read, "... and, in addition, $75,000,000 of the amounts collected under section 101 of the Authorization Act of 2005," you could obligate only the amount actually collected, up to $75,000,000. Similarly, if a law appropriates an amount to be derived from a special or trust fund, it limits the amount of budget authority actually provided to the lower of the amount of the balances in the fund or the specified amount. For example, language that reads, "For necessary expenses, $1,500,000, to be derived from the Land Restoration Trust Fund," allows you to obligate only the amount actually in the fund and no more than $1,500,000. If a law authorizes you to obligate all of the receipts credited to a fund, record budget authority equal to the amount of receipts collected by the fund in the past year and equal to the amounts you estimate you will collect in other years.

Some laws that provide borrowing authority limit the amount of debt that may be outstanding at any one time. This may limit your ability to incur obligations indirectly, because you must consider your ability to borrow the cash needed to liquidate the obligations that will become due, but it doesn't determine the level of obligations directly. In such cases, treat the budget authority as indefinite and record the amount that you obligated in the past year or estimate you will obligate in other years. Balances of indefinite borrowing authority may not be carried forward in excess of amounts needed to cover obligations. Under the BEA scorekeeping guidelines, OMB will score legislation that imposes or changes a limit of this type only to the extent that we estimate that it will alter the amount of obligations that will be incurred (see Appendix A, scorekeeping guideline no. 16).

Most budget authority provided in appropriations acts is definite, and most budget authority provided in other laws is indefinite.

Congress may enact laws that preclude agencies from using all of their potential budget authority. For example, in some cases Congress enacts limitations on obligations or program levels in appropriations acts that limit the authority to use offsetting collections or receipts provided in authorizing legislation. In other cases, the authorizing law may itself limit the amount of obligations you may incur, such as through a benefit formula that determines the amount of benefits that may be obligated.

For special and trust funds with indefinite budget authority whose obligations are constrained by an obligation limitation or benefit formula, the collections in excess of such limitations or benefit formulas are not counted as budget authority. Similarly, offsetting collections that are precluded from obligation are not counted as budget authority. In these cases, you reduce the spending authority by the precluded amount. The precluded amounts are considered to be unavailable and are not included in the account's unobligated balances. You record new budget authority in the year the amounts become available for obligation under the law.

(e) *Discretionary or mandatory and current or permanent budget authority.*

The Budget Enforcement Act of 1990 (BEA) requires us to classify budget authority (and outlays) as either discretionary spending or mandatory spending, and applies a different set of rules to each type of spending. We explain this further in section 20.9.

Sometimes, budget authority is characterized as current or permanent. Current authority requires congressional appropriations action on the request for new budget authority for the year involved. Permanent authority becomes available pursuant to standing provisions of law without further appropriations action by Congress after transmittal of the budget for the year involved. Generally, budget authority is current if an annual appropriations act provided it and permanent if authorizing legislation provides it. By and large, the current/permanent distinction has been replaced by the discretionary/mandatory distinction, which is similar but not identical.

(f) *Unobligated balance.*

An unobligated balance consists of the cumulative amounts of budget authority that are not obligated and that remain available for obligation under law.

In budget execution, the unobligated balance of budget authority at the end of the year is the total amount that is available for obligation during the fiscal year.

In budget formulation, there is a related but not identical concept called "unobligated balance carried forward." These are the unobligated balances net of the balances that are currently expired. Unobligated balances carried forward must meet all of the following conditions:

- They are balances of budget authority that have never been obligated or that have been obligated and deobligated.

- They are balances of budget authority that do not expire at the end of the fiscal year.

- They do not include any amounts for (1) indefinite appropriations, except available special and trust fund receipts; (2) indefinite borrowing authority; or (3) indefinite contract authority.

- You can quantify the amount by subtracting the obligations to date from the amount of budget authority provided (new budget authority and unobligated balances carried forward at the start of the year from the previous fiscal year). That is, the law providing the budget authority must have specified a definite amount or an indefinite amount based on the appropriation of collections from a specified source. You can not quantify "such sums as may be necessary."

You shouldn't count unavailable special and trust fund receipts or unavailable offsetting collections as budget authority and, therefore, you shouldn't have any unobligated balances as a result of them. Unavailable receipts are included in the special and trust fund receipts schedule (see section 86.4); unavailable offsetting collections are presented as a memorandum entry in the program and financing schedule (see section 82.7).

In budget schedules, such as the program and financing schedule, the unobligated balance carried forward at the end of a year is equal to the unobligated balance at the start of the next year.

The balances you report for the start and end of the past year must be consistent with the amounts reported in the Treasury Combined Statement (TCS) published by the Department of the Treasury (previously called the Treasury Annual Report (TAR)). (See section 82.15.)

(g) *Obligated balance.*

The term obligated balance is a term of art that is defined in law as a "net" concept. It is not the unpaid obligations. The obligated balances are calculated as follows:

- Take the unpaid obligations (which is the sum of the accounts payable and the undelivered orders) and
- Subtract the accounts receivable and the unfilled orders from Federal sources.

(h) *Reappropriation.*

A reappropriation is an extension of the availability of unobligated balances of budget authority that have expired or would otherwise expire as a result of legislation enacted subsequent to the law that provided the budget authority. The term does not apply to extensions of the availability of unobligated balances of budget authority that result from standing provisions of law, enacted before the budget authority was provided, or from provisions of law included in the same law that appropriated the funds.

Reappropriations of expired balances that are newly available for obligation in the current or budget year will be recorded as new budget authority (reappropriations) in the year they are newly available, in the full amount of the potential extension. Reappropriations of unexpired balances or reappropriations of expired balances that cannot take effect until a fiscal year beyond the budget year will be reported as balance transfers in the year they are newly available for obligation.

Similar to reappropriations of unexpired balances, extensions in availability resulting from standing provisions of law or from provisions of law included in the same law that appropriated the funds will be shown as balance transfers. See section 121.10 for a complete discussion on reporting for all types of extensions in availability.

(i) *Rescissions and cancellations.*

Rescissions and cancellations are reductions in law of budgetary resources. Reductions are recorded as negative budget authority in the year the reduction takes effect, regardless of whether the action reduces new budget authority or unobligated balances. If a law that precludes the obligation of budgetary resources in one year and authorizes their obligation in a subsequent year, you record negative budget authority in year of the reduction and new budget authority in the subsequent year.

Proposed cancellations and all enacted reductions should be included in the regular budget schedules under transmittal code 0 (see section 79.2). Proposed rescissions, which are subject to the requirements of Title 10 of the Congressional Budget and Impoundment Control Act, require separate schedules under transmittal code 5 (see sections 82.9 and 112).

Congress can enact reductions in many ways. For example, the language can specify a dollar or percentage reduction and can pertain to a specific account or multiple accounts. Rescissions and cancellations can impact all types of budget authority and can be *permanent* or *temporary* subject to the underlying availability of the funds and to the specific statutory authority for the reduction.

Rescissions and cancellations of general fund appropriations are considered to be *permanent* reductions unless the legislation clearly indicates that the reduction is temporary. Permanent reductions of general fund appropriations revert to the General Fund of the U.S. Treasury. Reductions of contract authority and borrowing authority are also usually permanent.

Rescissions and cancellations of amounts appropriated from special and trust fund receipts, as well as spending authority from offsetting collections, are usually *temporary* reductions. The reduction amounts are reported as balances of unappropriated receipts (see section 86.4) or as unavailable offsetting collections (see section 82.7). If the reduced amount is permanently appropriated, it becomes available in the following year, but if it is subject to appropriations, it is not available again until further appropriations action has occurred. An exception is when the legislation makes clear that the amounts are permanently canceled or rescinded, in which case the amounts are returned to the General Fund of the U.S. Treasury.

(j) *Transfer.*

(1) *Definition*. Transfer means to reduce budgetary resources (budget authority and unobligated balances) in one account and increase them in another, by the same amount.

(2) *Authority*. You can't make a transfer unless a law authorizes it. The law may specify a particular transfer or provide general transfer authority within specified limits.

(3) *Expenditure transfer or nonexpenditure transfer*. A transfer is recorded as either an expenditure transfer, which involves an outlay, or a nonexpenditure transfer, which does not involve an outlay. Which you record usually depends on the purpose of the transfer, as explained in the following table, except that nonexpenditure transfers are limited to transactions in which both accounts are within the same fund group (i.e., trust-to-trust or Federal-to-Federal). See also exhibit 20.

If the transfer...	**Record as...**
(1) purchases goods or services that benefit the transferring account for example, Economy Act transactions or purchases from revolving funds (including working capital funds), such as, a rental payment to GSA's Federal Buildings Fund…	An expenditure transfer.

If the transfer...	Record as...
(2) shifts budgetary resources between Federal funds (general, special, and revolving fund accounts) and trust funds (trust fund and trust revolving fund accounts), regardless of the purpose...	An expenditure transfer.
(3) reduces budgetary resources available for the activities of the transferring account and increases them for the activities of the receiving account (for example, a transfer of unobligated balances from the construction account to the salaries and expense account to fund pay raises) other than between Federal and trust funds...	A non-expenditure transfer.
(4) corresponds to a transfer of an activity from one account to another such as in a reorganization)...	A non-expenditure transfer.

(4) *Recording transfers in the budget:*

- *Expenditure transfers*. Record an expenditure transfer as an obligation (against new budget authority or unobligated balances) and an outlay in the transferring account and as an offsetting collection or offsetting receipt in the receiving account (see section 20.7). If the receiving account is a general fund appropriation account or a revolving fund account (including a trust revolving fund), credit the amount as an offsetting collection to the appropriation or revolving fund account. If the receiving account is a special fund or trust fund account, you would normally credit the amount as an offsetting receipt to a receipt account of the fund.

- *Nonexpenditure transfers*. Do not record an obligation or an outlay or an offsetting collection or offsetting receipt. Record nonexpenditure transfers as a decrease either in budget authority or unobligated balances in the transferring account and as an increase either in budgetary authority or unobligated balances in the gaining account. Whether you record the reduction and increase as a change in budget authority or unobligated balances, depends on the circumstances, as described in the following table.

If you transfer...	And the transfer...	Record...
Unobligated balances	Results from a transfer specified in law that changes the purpose for which the funds will be used	A decrease in budget authority in the transferring account and an increase in budget authority in the gaining account.
Unobligated balances	• Results from general transfer authority, or • Corresponds to a transfer of an activity such that the purpose does not change	A decrease in unobligated balances in the transferring account and an increase in unobligated balances in the gaining account.
Budget authority in the year it becomes available	Is for any purpose	A decrease in budget authority in the transferring account and

If you transfer...	And the transfer...	Record...
		an increase in budget authority in the gaining account.

(k) *Transfer in the estimates.*

A transfer in the estimates means the budget proposes to stop funding an activity under one budget account and start funding the activity under another budget account, beginning in the budget year. This does not involve a transfer of budgetary resources, like that discussed in subsection (j). You simply stop showing budget authority in the one account and start showing it in the other. A transfer in the estimates usually reflects a proposal to do one of the following in the budget year:

- Transfer the funding of an activity from one account to another.
- Consolidate funding for related activities from two or more accounts into a single account.
- Disaggregate the funding for an activity from one account between two or more accounts.

You must indicate a transfer in the estimates by footnoting the program and financing schedules of the transferring and receiving accounts (see section 82.12).

(l) *Allocation.*

Allocation means a delegation, authorized in law, by one agency of its authority to obligate budget authority and outlay funds to another agency. When an agency makes such a delegation, the Treasury Department establishes a subsidiary account called a "transfer appropriation account", and the receiving agency may obligate up to the amount included in the account. The budget doesn't show the transfer appropriation account separately. The budget schedules for the parent account include the obligations by the other agency against the subsidiary account without separate identification, except in the object class schedule (see section 83.15). Allocations are appropriate where the receiving agency is acting as the agent for the allocating agency.

20.5 When should I record obligations and in what amounts?

(a) *The general rule.*

Obligation means a legally binding agreement that will result in outlays, immediately or in the future. When you place an order, sign a contract, award a grant, purchase a service, or take other actions that require the Government to make payments to the public or from one Government account to another, you incur an obligation. It is a violation of the Antideficiency Act (31 U.S.C. 1341(a)) to involve the Federal Government in a contract or obligation for payment of money before an appropriation is made, unless authorized by law. This means you can not incur obligations in a vacuum; you incur an obligation against budget authority in a Treasury account that belongs to your agency. It is a violation of the Antideficiency Act to incur an obligation in an amount greater than the amount available in the Treasury account that is available. This means that the account must have budget authority sufficient to cover the total of such obligations at the time the obligation is incurred. In addition, the obligation you incur must conform to other applicable provisions of law, and you must be able to support the amounts reported by the documentary evidence required by 31 U.S.C. 1501. Moreover, you are required to maintain certifications and records showing that the amounts have been obligated (31 USC 1108). The following subsections provide additional guidance on when to record obligations for the different types of goods and services or the amount.

(b) *Personnel compensation and benefits.*

For personnel compensation and benefits the issue is usually the "timing" of the obligation and not the "amount" of the obligation. The amount is prescribed by laws that cover the civil service and the uniformed service and determined by well-established personnel procedures. As for the timing of the obligation, the amounts generally are recorded as obligations as the amounts are earned during the reporting pay period, with the following exceptions:

Type of obligations...	At the time ...	Because...
Severance pay.	It is paid on a pay period by pay period basis.	Severance pay is not earned with regular salaries and wages.
Authorized reimbursable expenses estimated to be paid to employees for real estate, temporary subsistence, and other expenses incident to relocation at the request of the Government.	The individual travel orders are approved.	The travel is a bona fide need at the time the order is approved.
Cash awards that do not become part of the employee's basic rate of pay. Allowances for uniforms and quarters. Subsidies for commuting costs.	When payable to the employee.	This is the time the amount is definite.
Unemployment compensation payments to the Department of Labor for former Federal employees	When the agency receives the bills rendered by Labor.	Underlying law.
Annual leave	When it becomes due and payable as terminal leave or taken in lieu of a lump sum payment	Normally, annual leave is unfunded.
Funded annual leave	When you transfer a person from a revolving fund to another revolving fund, you obligate the employee's share of funded annual leave and you pay it to the fund to which the employee is transferred.	The revolving fund to which the employee is transferred will pay the employee's salary and wages when the employee takes the annual leave or will pay the lump sum terminal leave for any annual leave not taken.
	When you transfer a person from a revolving fund to a non-revolving fund, you obligate the employee's portion of the funded annual leave and	The appropriation from the general fund in the Treasury will pay the employee's salaries and wages when the employee takes the annual leave or

Type of obligations...	At the time ...	Because...
	pay miscellaneous receipts in the general fund of the Treasury	will pay the lump sum terminal leave for any annual leave not taken.

(c) *Contractual services and supplies.*

Services and supplies that are purchased by contract are recorded as obligations at the time there is a binding agreement, which is usually when the contract is signed. As a general rule, the amount of the obligation is the maximum liability to the Federal Government. The maximum liability to the Government is normally limited by the terms of the contract, e.g., cancellation clauses.

The following provides the nuances of contracts with certain characteristics.

Contracts with...	Amount obligated is…	At the time ...
A maximum price	The maximum price.	The contract is signed.
	Amount of downward adjustments, i.e. deobligation, if any.	There is documentary evidence that the price is reduced.
Letters of intent and letter contracts.	Normally, no amount is obligated.	The letter is signed.
However, if the letters constitute binding agreements under which the contractor is authorized to proceed.	The maximum amount indicated in the letter that the contractor is authorized to incur to cover expenses prior to the execution of a definitive contract.	
Contracts for variable quantities.	Normally, no amount is obligated.	The contract is signed.
The contracts are usually followed by "purchase orders" that do obligate the Government.	The amount of actual orders.	The order is issued.
Orders where a law "requires" that you to place orders with another Federal Government account.	The amount of the order.	The order is issued.
Voluntary orders with other Federal Government accounts:	The amount of the order.	The order is issued.
If the order is for common-use standard stock item the supplier has on hand or on order at published prices.		That you issue the order to the supplier.

Contracts with...	Amount obligated is…	At the time ...
If the order is for stock items other than the above.		You receive a formal notification that the items are on hand or on order.
If the order involves execution of a specific contract.		The supplying agency notifies you that it has entered into the contract.

(d) *Intragovernmental services and supplies*. Obligations are incurred for services when they are rendered. For example, obligations for GSA rental payments are incurred in the year in which the premises are occupied, whether or not a bill has been rendered. Obligations are incurred for supplies when the order is placed.

(e) *Land and structures.*

Contracts for lands and structures generally follow the same rules as for contracts specified above with the following exceptions.

Contracts with...	Amount obligated is…	At the time ...
Condemnation proceedings.	The estimated amount for the price of the land, adjusted to the amount of the payment to be held in escrow where there is a declaration of taking.	When you ask the Attorney General to start condemnation proceedings.
Lease-purchases and capital leases covered by the score keeping rules developed under the Budget Enforcement Act.	The present value of the lease payments, discounted using the Treasury interest rate used in calculating the budget authority provided for the purchase.	The contract is signed.
	The imputed interest costs (that is, the financing costs Treasury would have incurred if it had issued the debt to acquire the asset)	During the lease period.

(f) *Grants and fixed charges.*

Discretionary grants will be obligated after the amounts are determined administratively and recorded at the time the grant award is signed. The grant award is normally the documentary evidence that the grant has been awarded. Letters of credit are issued after the grant awards are made and generally are not obligating documents.

For grants and fixed charges with formulas in law that automatically fix the amount of the charges, record the amount determined by the formula or, if there is an appropriation, then record the amount appropriated, whichever is smaller. The obligation is reported at the time the grantee is awarded the grant and is liquidated when the payment is made to the grantee. To the extent that a grant awarded in a previous year is no longer valid, you will record a recovery of prior year obligations.

The exceptions follow:

Grants or fixed charges..	Amount obligated is…	At the time ...
In lieu of taxes.	The amount appropriated.	The taxes are due.
Interest.	The amount owed.	The interest is payable.
Dividends.	The amount declared.	The dividend is declared.

(g) *Federal credit programs.*

Obligations in Federal credit programs generally follow the same rules as for "personnel compensation and benefits" and "contracts" specified above with the following exceptions.

The amount is…	Amount obligated is…	At the time ...
Subsidy in direct loan program account	The portion of the subsidy cost for the direct loan contract that you are signing	You sign the direct loan contract. That is, when you enter into a binding agreement to make a direct loan when specified conditions are fulfilled by the borrower.
Subsidy in guaranteed loan program account.	The portion of the subsidy cost for the binding agreement to make a loan guarantee.	You make the loan guarantee commitment. That is, when you enter into a binding agreement to make a loan guarantee when special conditions are fulfilled by the borrower, the lender, or any other party to the guarantee agreement.

20.6 What do I need to know about outlays?

Outlay means a payment to liquidate an obligation (other than the repayment to the Treasury of debt principal). Outlays are a measure of Government spending. As required by law, the budget presents some outlays as "on-budget" and some as "off-budget." Total outlays for the Federal Government include both on-budget and off-budget outlays. Government-wide outlay totals are stated net of refunds, offsetting collections, and offsetting receipts. Function, subfunction, and agency outlay totals are stated net of related refunds, offsetting collections, and offsetting receipts for most budget presentations. (Offsetting receipts from a few sources do not offset any specific function, subfunction, or agency but only offset Government-wide outlay totals.) Outlay totals for accounts with offsetting collections are stated both gross and net of the offsetting collections credited to the account. However, the outlay totals for special and trust funds with offsetting receipts are not stated net of the offsetting receipts.

The Government usually makes payments in the form of cash (currency, checks, or electronic fund transfers), and you record outlays equal to the disbursement at the time of the disbursement. Normally the amount of cash disbursed appropriately measures the value of the transaction. In other cases, however, the cash disbursed does not accurately measure the value of the transactions. In these cases, we require you to record the cash-equivalent value of the transactions (see section 20.8).

Not every disbursement is an outlay because not every disbursement liquidates an obligation. You don't record outlays for the following:

- Repayment of debt principal because we treat borrowing and the repayment of debt principal as a means of financing.

- Disbursements to the public by Federal credit programs for direct loan obligations and loan guarantee commitments made in fiscal year 1992 or later (and those made prior to that year if they have been modified) because we treat the cash flows to and from the Government for credit programs as a means of financing. We record outlays equal to the subsidy cost of direct loans and loan guarantees when the underlying direct or guaranteed loans are disbursed. Disbursements from liquidating accounts for direct loan obligations and loan guarantee commitments made prior to fiscal year 1992 are treated as outlays (see section 185).

- Disbursements from deposit funds because these funds are on deposit with the Government but are not owned by the Government and are therefore excluded from the budget (see section 20.7).

- Refunds of receipts that result from overpayments because they are recorded as decreases in receipts, rather than as increases in outlays (see section 20.10).

The timing for recording outlays for interest payments varies. Treasury records outlays for the interest on the public issues of Treasury debt securities as the interest accrues, not when it pays the cash. However, most Treasury debt securities held by Government accounts are in the Government account series. Treasury normally records the interest payments on these securities when it pays the cash, and you normally record an offsetting collection or receipt on a cash basis. Four trust funds in the Department of Defense: the Military retirement trust fund; the Education benefits trust fund; the Defense cooperation fund; and the Medicare-eligible health care fund routinely have relatively large differences between purchase price and par. For these funds, we've instructed the Department to record the holdings of debt at par but record the differences between purchase price and par as adjustments to the assets of the funds that are amortized over the life of the security. The Department records interest as the amortization occurs. We discuss the budget treatment of investment transactions in section 113.

Outlays during a fiscal year may liquidate obligations incurred in the same year or in prior years. Obligations, in turn, may be incurred against budget authority provided in the same year or against unobligated balances of budget authority provided in prior years. Outlays, therefore, flow in part from budget authority provided for the year in which the money is spent and in part from budget authority provided in prior years. The ratio of the outlays resulting from budget authority enacted in any year to the amount of that budget authority is referred to as the spendout rate for that year.

Outlays for the past year must agree with amounts reported in the Treasury Combined Statement, unless OMB approves an exception.

20.7 What do I need to know about governmental receipts, offsetting collections, and offsetting receipts?

(a) *Overview.*

The money collected by the Federal Government and its accounts that is counted as income in the budget is classified as either governmental receipts (also known as receipts or revenues) or as offsets to budget authority and outlays. We sometimes use the generic term *collections* when referring to all of this money. Collections result from the following transactions:

- Sovereign power—payments from the public that result primarily from the Government's exercise of its sovereign power to tax or otherwise compel payment.

- Business-type transactions with the public—payments from the public in exchange for goods and services and gifts or donations of money to the Government.

- Intragovernmental transactions—payments from other Federal Government accounts.

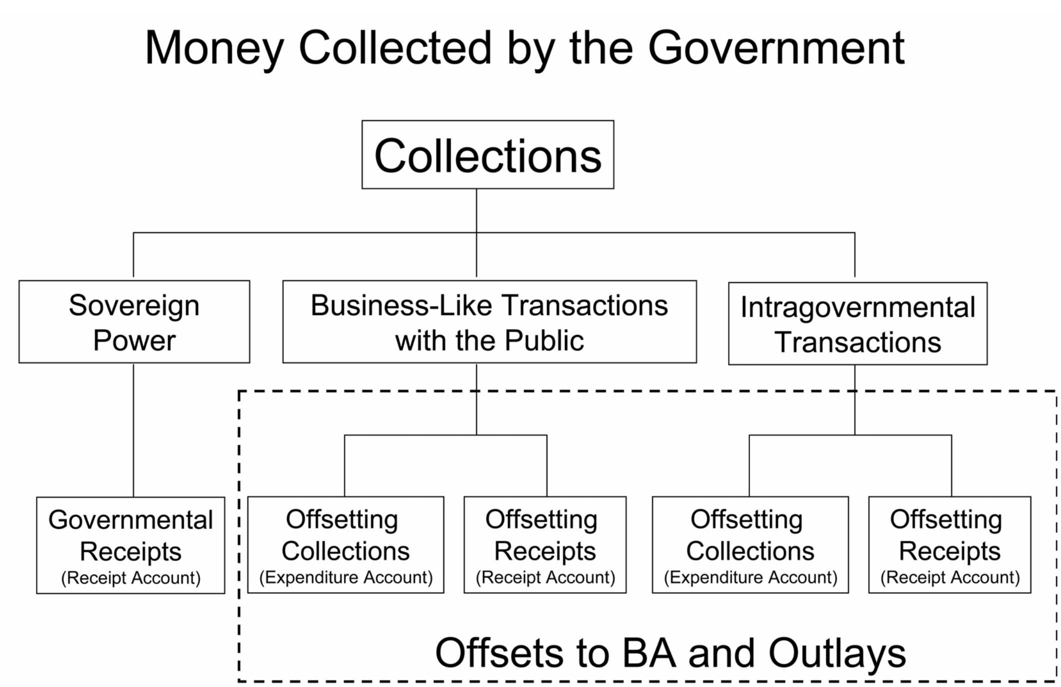
The universe of money collected also includes the proceeds of borrowing and the other means of financing which are not treated as collections in the budget. Means of financing are discussed in section 20.7 (h).

The Federal Government normally receives payments in the form of cash and normally records amounts equal to the amount of cash received at the time of collection. Usually the amount of cash collected appropriately measures the value of the transaction. In some cases, the cash collected does not accurately measure the value of the transaction. In these cases, you record the cash equivalent value of the transactions (see section 20.8).

As recommended by the 1967 President's Commission on Budget Concepts, the budget records money collected by Government agencies in one of two ways—depending on the nature of the activity generating the collection and the law that established the collection:

Governmental receipts, which are compared in total to outlays (net of offsetting collections and offsetting receipts) to calculate the surplus or deficit; or

Offsets to budget authority and outlays (classified as either offsetting collections or offsetting receipts), which are deducted from gross budget authority and outlays to produce net budget authority and outlay figures.

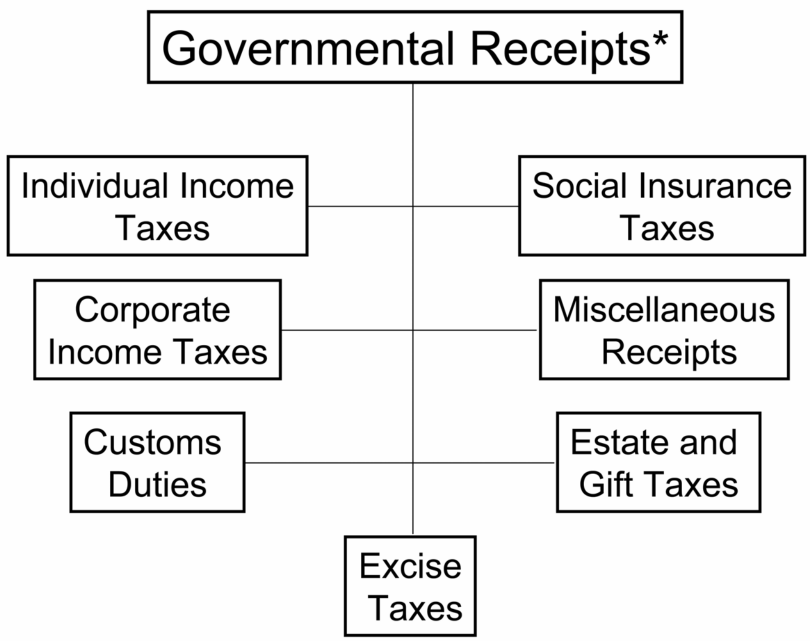


(b) *Governmental receipts.*

Governmental receipts are collections that result from the Government's exercise of its sovereign power to tax or otherwise compel payment. Sometimes they are called receipts, Federal receipts, or revenues. They consist mostly of individual and corporation income taxes and social insurance taxes, but also include excise taxes, compulsory user changes, regulatory fees, custom duties, court fines, certain license fees, and deposits of earning by the Federal Reserve System. Governmental receipts are deposited in receipt accounts. See section 20.7(f) for more detail on receipt accounts.

The types of governmental receipts are summarized in the diagram below. Total governmental receipts for the Federal Government include both on-budget and off-budget receipts.

For more information on collections, see chapter 17, "Federal Receipts" in the *Analytical Perspectives* volume of the Budget.



* Sometimes called “receipts” or “Federal receipts.”

(c) *General information about offsets to budget authority and outlays.*

Offsetting collections and offsetting receipts are recorded as offsets to spending, not as additions to the receipt side of the budget. They are recorded as offsets to spending so that the budget totals represent governmental rather than market activity and to prevent double counting from intragovernmental transactions. This ensures that the Budget totals measure the transactions of the Government with the public. They are recorded in the budget in one of two ways, based on interpretation of laws and longstanding budget concepts and practice. They are offsetting collections when the collections are authorized to be credited to expenditure accounts. Otherwise, they are deposited in receipt accounts and called offsetting receipts. See section 20.7(f) for more detail on receipt and expenditure accounts.

Offsetting collections and offsetting receipts are classified according to the type and source of the money collected and how it is treated in the budget. Offsetting collections and offsetting receipts result from one of the following types of transactions:

Business-like transactions or market-oriented activities with the public—voluntary collections from the public in exchange for goods or services. The budget records these amounts as offsetting collections from non-Federal resources for offsetting collections or as proprietary receipts for offsetting receipts. The budget also records gifts of money to the Government in the same manner. The amounts are deducted from gross budget authority and gross outlays, rather than added to receipts. This produces budget totals for receipts, budget authority, and outlays that represent governmental rather than market activity.

Intragovernmental transactions—collections from other Federal Government accounts. The budget records collections by one Government account from another as offsetting collections from Federal sources for offsetting collections or as intragovernmental receipts for offsetting receipts. The amounts are deducted from gross budget authority and gross outlays so that the budget totals measure the transactions of the Government with the public.

Offsetting governmental transactions—collections from the public that are governmental in nature (e.g., tax receipts, regulatory fees, compulsory user charges) but required by law to be misclassified as offsetting. The budget records amounts from non-Federal sources that are governmental in nature as offsetting governmental collections for offsetting collections or as offsetting governmental receipts for offsetting receipts.

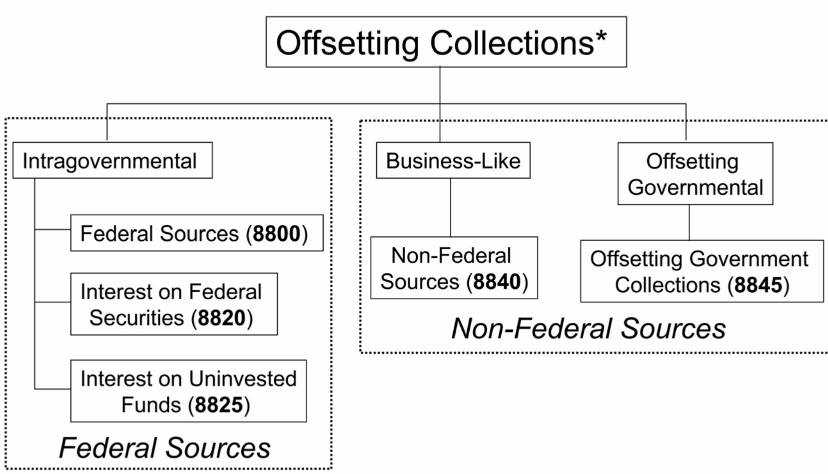
(d) *Offsetting collections.*

Some laws authorize agencies to credit collections directly to the account from which they will be spent. Most revolving funds operate with such authority. Offsetting collections credited to expenditure accounts automatically offset outlays and budget authority at the expenditure account level. Where accounts have offsetting collections, the budget shows the budget authority and outlays of the account both gross (before deducting offsetting collections) and net (after deducting offsetting collections). Totals for the agency, subfunction, and budget are net of offsetting collections.

Line codes are used to identify the source of the collections in OMB's budget database. See the table on "Offsets" in section 82.6 for the offsetting collection line entries and the definitions. The lines are presented in the program and financing (schedule P) in the *Appendix* to the President's Budget.

The following chart summarizes the coding used in MAX schedule P:

Budget Classification of Offsetting Collections
(Offsetting collection line number in bold face)



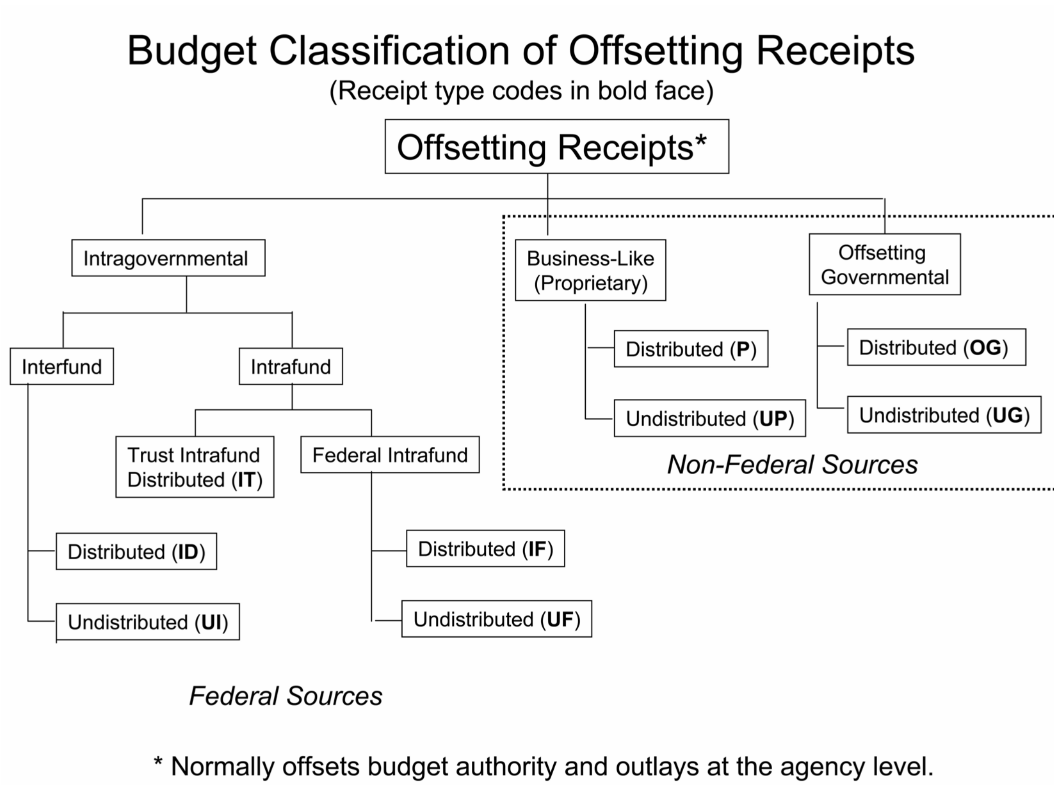
*Normally offsets budget authority and outlays at the expenditure account level.

(e) *Offsetting receipts.*

Collections that are offset against gross outlays and budget authority but are not authorized to be credited to expenditure accounts are credited to receipt accounts and are called offsetting receipts. They are deducted from budget authority and outlays in arriving at total budget authority and outlays. However, unlike offsetting collections that are credited to expenditure accounts, offsetting receipts do not offset budget authority and outlays at the account level. Most offsetting receipts deposited in receipt accounts are offset at the agency and subfunction levels. We call these distributed offsetting receipts. A few offsetting receipts are offset at government-wide totals. We call these undistributed offsetting receipts. For more information on the magnitude of undistributed offsetting receipts see Table 4, Undistributed Offsetting Receipts, in the Object Class Analysis report that accompanies the President's annual budget.

Within OMB's budget database, offsetting receipts are coded to identify the types of offsetting receipt (e.g., governmental, proprietary, intragovernmental) and to identify how they are treated (e.g., offset at the agency and function level). Each offsetting receipt type also has a number of unique and associated source category codes that enable MAX to produce tables needed for the Budget. These are assigned by OMB when the account is established (see exhibit 79B).

The following chart summarizes the receipt types, with associated receipt type codes in parentheses, for the various types of offsetting receipts.



(f) *Receipt accounts and expenditure accounts.*

The placement of collections in receipt accounts or expenditure accounts is based on the interpretation of laws and long-standing budget concepts and practice.

Receipt accounts.—A general law requires that, except as provided by another law, an official or agent of the Government who receives money for the Federal Government from any source shall deposit the money in the Treasury as soon as practicable. This law (31 USC 3302) is generally referred to as the "Miscellaneous Receipts Act." The Department of the Treasury, in consultation with OMB, interprets this law as requiring all collections to be deposited in general fund receipt accounts, which as a group comprise part of "the general fund."

Some laws earmark collections from a certain source for a specific purpose. Depending on the legal requirements, Treasury deposits these collections in special fund receipt accounts, trust fund receipt accounts, or credits the collections directly to expenditure accounts, including revolving fund accounts. The legislation also specifies whether the earmarked receipts are (i) available for obligation and outlay without further appropriations action by Congress (i.e., available), or (ii) not available for obligation or outlay until Congress makes the amounts available in annual appropriations or other acts (i.e., unavailable). However, in some cases, receipts are considered to be unavailable because a benefit formula or limitation precludes their use. These amounts of receipts may become available subsequently without appropriations action. See section 20.4(b) for more information about amounts precluded from obligation.

When the collections in the receipt accounts are available for obligation and outlay, the amounts are appropriated to general fund, special fund, trust fund, or other expenditure accounts, as discussed below.

Expenditure accounts.—Some laws override the requirement to first deposit collections in receipt accounts. These collections are credited directly to expenditure accounts, where the collections are generally available for obligation and outlay without further action by Congress. These collections are called offsetting collections. Most revolving funds operate under such authority. These include public enterprise, intragovernmental, and trust revolving funds. In addition, the Economy Act allows Federal agencies or bureaus within agencies to do work for each other. When one account reimburses another account for this work, the Act authorizes the collections to be credited directly to the expenditure account that provided the goods and services.

(g) *User charges.*

User charge means a fee, charge, or assessment the Government levies on a class of the public directly benefiting from, or subject to regulation by, a Government program or activity. We record user charges as governmental receipts, offsetting collections, or offsetting receipts using the criteria described above. The authorizing law must limit the payers of the charges to those benefiting from, or subject to regulation by, the program or activity.

User charges include:

- Collections from non-Federal sources for goods and services provided (for example, the proceeds from the sale of goods by defense commissaries, electricity by power marketing administrations, stamps by the Postal Service; fees charged to enter national parks; and premiums charged for flood and health insurance);
- Voluntary payments to social insurance programs, such as Medicare Part B insurance premiums;
- Miscellaneous customs fees (for example, United States Customs Service merchandise processing fees);
- Proceeds from asset sales (property, plant, and equipment);
- Proceeds from the sale of natural resources (such as timber, oil, and minerals);
- Outer Continental Shelf receipts;

- Spectrum auction proceeds;
- Many fees for permits, and regulatory and judicial services;
- Specific taxes and duties on an exception basis; and
- Credit program fees deposited into the credit program account and recorded in the budget on a current basis.

User charges do not include:

- Collections from other Federal accounts;
- Collections associated with credit programs, except for credit program fees deposited into credit program accounts and recorded in the budget on a current basis.
- Realizations upon loans and investments;
- Interest, dividends, and other earnings;
- Payments to social insurance programs required by law;
- Excise taxes;
- Customs duties;
- Fines, penalties, and forfeitures;
- Cost-sharing contributions; and
- Federal Reserve System deposits of earnings.

(h) *Means of financing.*

These are monies received or paid by the Government that are not counted in the budget totals as either collections (governmental receipts, offsetting collections, or offsetting receipts) or outgo (outlays). Borrowing and the repayment of debt are the primary means of financing. Others are listed below. These monies finance outlays when there is a deficit—that is, when outlays (net of offsetting collections and offsetting receipts) exceed receipts. When there is a surplus—that is, when receipts exceed outlays (net of offsetting collections and offsetting receipts)—the means of financing may be used, together with the surplus, to retire debt.

Most of the individual means of financing represent changes in assets or liabilities and therefore can either be a source of financing for the Government or require financing themselves. For example, if the disbursements from credit financing accounts exceed their collections, which is normal, the difference must be financed by receipts or the other means of financing; if the disbursements are less than the collections, the difference may be used to reduce borrowing or to provide any financing required by the other means of financing. The means of financing other than borrowing and repayment of debt include:

- Net financing disbursements by direct loan and guaranteed loan financing accounts.
- Seigniorage (the profit from coining money) and profits on the sale of gold (a monetary asset).
- Certain exchanges of cash, such as deposits by the U.S. in the International Monetary Fund.
- Changes in Treasury's operating cash balance, uninvested deposit fund balances, and checks outstanding.

- Treasury debt buyback premiums and discounts (see section 113).

For more information on the means of financing, see the section on Budget Deficit or Surplus and Means of Financing in Chapter 25, "The Budget System and Concepts" of the *Analytical Perspectives* volume of the President's Budget.

20.8 What do I need to know about cash-equivalent transactions?

Normally the amount of cash disbursed or collected is the appropriate measure of the value of the transaction, and you record outlays or collections equal to the cash that changes hands. In other cases, however, the cash disbursed or collected doesn't accurately measure the value of the transactions. In these cases, you should record the cash-equivalent value of the transactions in the budget. The following are some examples of cash-equivalent transactions:

- *Federal employee salaries*. You record an outlay for the full amount of an employee's salary, even though the cash disbursement is net of Federal and state income taxes, retirement contributions, life and health insurance premiums, and other deductions. We record collections for the deductions that are payments to the Government.

- *Debt instruments*. When the Government receives or makes payments in the form of debt instruments (such as bonds, debentures, monetary credits, or notes) in lieu of cash, we record collections or outlays in the budget on a cash-equivalent basis. The Government can borrow from the public to raise cash and then outlay the cash proceeds to liquidate an obligation, or, if authorized in law, it may liquidate the obligation by issuing securities in lieu of the cash. The latter method combines two transactions into one—borrowing and an outlay. Combining these transactions into one does not change the nature of the transactions. Since the two methods of payment are equivalent, we require you to record the same amount of outlays for both cases. Similarly, when the Government accepts securities in lieu of cash from the public in payment of an obligation owed to the Government, we record offsetting receipts or collections. In one program, for example, a Government agency may choose whether to pay default claims against it in cash or by issuing debentures in lieu of cash; the agency records the same amount of outlays in either case. In turn, a recipient of these debentures may choose to pay the fees that it owes to the Government either in cash or by returning debentures of equivalent value that it holds. The agency records the same amount of offsetting receipts or collections in either case.

- *Lease-purchases*. We require you to record an outlay for the acquisition of physical assets through certain types of lease-purchase arrangements as though the transaction was an outright purchase or direct Federal construction. Lease-purchase transactions in which the Government assumes substantial risk are equivalent to the Government raising cash by borrowing from the public and purchasing the asset directly by disbursing the cash proceeds. You must report outlays over the period that the contractor constructs, manufactures, or purchases the asset that will be leased to the Government, not when the Government disburses cash to the developer for lease payments. Because the Government pays no cash up front to the nominal owner of the asset, the transaction creates a Government debt. In such cases, we treat the subsequent cash lease payments as the equivalent of interest outlays on that debt and principal repayments. (See Appendix B).

The scorekeeping effect of cash-equivalent transactions applies to budget authority, as well as to outlays and collections. You record the authority to incur obligations that will be liquidated through cash-equivalent payments as budget authority.

The use of cash-equivalents often results in an increase or decrease in Federal debt. In the previous example of the Government using debentures to pay claims, we record the issuance of a debenture as an increase in debt, and we record the Government's acceptance of a debenture for payment of fees as a decrease in debt. We also record an increase in debt as the means of financing the cash-equivalent outlays of lease-purchase arrangements in which the Government assumes substantial risk.

20.9 What do I need to know about discretionary spending, mandatory spending, and PAYGO?

(a) *Overview.*

The Budget Enforcement Act (BEA), first enacted in 1990 and extended in 1993 and 1997, significantly amended the laws pertaining to the budget process. The BEA expired at the end of 2002. The Administration supports mandatory spending controls and proposes to extend and modify the BEA's statutory approach to the Pay-As-You-Go (PAYGO) rule.

Even though the BEA has expired, we continue to apply many of the concepts and scorekeeping principles embodied in it in our review of legislation. This section describes some of the key requirements of the BEA.

The BEA divided spending into two types—discretionary and mandatory:

1. Discretionary spending means the budget authority controlled by annual appropriations acts and the outlays that result from that budget authority. For example, the budget authority and outlays for the salaries and other operating expenses of Government agencies are usually controlled by annual appropriations acts and, therefore, are usually discretionary. Where obligation limitations set in appropriations acts limit permanent budget authority, except trust fund accounts in the Department of Transportation, we define the budget authority for the account as discretionary in an amount equal to the limit. For the Transportation trust funds, the budget authority remains mandatory, although the funds' outlays are discretionary.

2. Mandatory spending means budget authority and outlays controlled by permanent laws. For example, permanent laws authorize payments for Medicare and Medicaid, unemployment insurance benefits, and farm price supports, so the budget authority and outlays for these programs are mandatory. In addition, budget authority provided in annual appropriations acts for certain programs is treated as mandatory because the authorizing legislation entitles beneficiaries to receive payment or otherwise obligates the Government to make payment. Congress controls the size of the Government's obligation by changing the authorizing legislation, not by funding provided in subsequent appropriation. Also, the BEA specifically defines funding for the Food Stamp program as mandatory spending, even though annual appropriations acts provide funding for the program, and the authorizing legislation doesn't create an entitlement. Mandatory spending is the term commonly used for this kind of spending, although the BEA calls it "direct spending."

The Joint Explanatory Statement of the Committee of Conference for the Balanced Budget Act of 1997 classified all accounts under the Appropriations Committee's jurisdiction at the time as discretionary or mandatory. The "scorekeepers" (House and Senate Budget Committees, CBO, and OMB) consult on the classification of new accounts and may reclassify an existing account. While mandatory and discretionary classifications were used for measuring compliance with the BEA, they do not determine whether a program provides legal entitlement to a payment or benefit or the availability of funding. You should address questions about BEA classifications and legal entitlements to your OMB representative.

The BEA applied one set of rules to discretionary spending and another to mandatory spending and receipts. The rules for receipts were the same as for mandatory spending, because receipts are generally controlled by permanent laws. The Explanatory Statement referred to in the previous paragraph provided scorekeeping guidelines that the scorekeepers used in interpreting the rules. Appendix A contains the most recent guidelines. Even though the BEA has expired, OMB, the budget committees, and CBO continue to apply these scorekeeping principles in measuring the effects of legislation.

(b) *Discretionary spending caps.*

The BEA defined categories of discretionary spending and specified dollar limits known as "caps" on the amount of funding, spending, or both. In some but not all years, discretionary programs were further subdivided among categories, and the categories varied from year to year. If the amount of budget authority or outlays provided in appropriations acts for a given year exceeded the cap for that category, the BEA required a procedure, called sequestration, for reducing the spending in the category. In addition, the allocations to the Appropriations Committees of discretionary amounts assumed in annual budget resolutions function as discretionary caps, which the Congressional Budget Act enforces by providing for points of order in the House of Representatives and the Senate.

The BEA required that substantive changes to or restrictions on entitlement law or other mandatory spending law specified in appropriations laws (including changes in offsetting receipts or collections) be treated as changes in discretionary spending for the purposes of scoring those appropriations laws. However, in the subsequent budget, OMB could decide to reclassify such changes, especially in accounts that are generally mandatory, and make a compensating adjustment to the discretionary caps. This was sometimes referred to as "rebasing". (See the discussion of CHIMPs in section 20.3.)

(c) *Pay-as-you-go (PAYGO) requirements.*

The BEA did not cap mandatory spending. Instead, it required all new laws that affected mandatory spending or receipts to be enacted on a "pay-as-you-go" (PAYGO) basis. That means that if such a law increased the deficit or decreased the surplus in the budget year or any of the four following years, another law had to be enacted with an offsetting reduction in spending or increase in receipts for each year that was affected. Otherwise, a sequestration would be triggered in the fiscal year the deficit would be increased. The BEA sequestration procedures required a uniform reduction of mandatory spending programs that were neither exempt nor subject to special rules.

The PAYGO rules didn't apply to increases in mandatory spending or decreases in receipts that resulted automatically under existing law. For example, mandatory spending for benefit programs, such as unemployment insurance, rises when the population of eligible beneficiaries rises, and many benefit payments are automatically increased for inflation under existing laws. Also, if both the Congress and the President designated a provision of mandatory spending or receipts legislation as an emergency requirement, we did not score the effect of the provision as PAYGO.

The Administration has proposed that statutory PAYGO requirements, which expired in 2002, be reinstituted in slightly modified form.

20.10 What do I need to know about refunds?

Refunds are the repayments of excess payments. The amounts are directly related to previous obligations incurred and outlays made against the appropriation. Refunds received are deposited to the credit of the appropriation or fund account charged with the original obligations as explained in the following table:

The following table explains how to record refunds received:

If you...	**And the appropriation against which the obligation was incurred...**	**You...**
(1) receive a refund of funds that were obligated and outlayed in that year	remains available (usually the case)	reduce the total amount of obligations and outlays recorded for the year in the budget schedules.

If you...	And the appropriation against which the obligation was incurred...	You...
(2) receive a refund of funds that were obligated and outlayed in a previous year	remains available for new obligations	record the refund as an offsetting collection, increasing spending authority from offsetting collections.
(3) receive a refund of funds that were obligated and outlayed in a previous year	has expired but is not yet canceled	record the refund as offsetting collections (cash) credited to expired accounts (i.e., as offsetting collections on lines 8800–8845 and as offsetting collections credited to expired accounts on line 8896 of the P&F schedule). These offsetting collections are not reported as new budget authority; they are offset against gross outlays but not against gross budget authority.
(4) receive a refund of funds that were obligated in a previous year	has been canceled	deposit the refund in miscellaneous receipts of the Treasury.

Record refunds paid as follows:

- Record refunds paid by an expenditure account as an obligation and an outlay of the account.

- Record refunds of receipts that result from overpayments (such as income taxes withheld in excess of a taxpayer's income tax liability) as reductions of receipts, rather than as outlays. This does not include payments to a taxpayer for credits (such as an earned income tax credit) that exceed the taxpayer's income tax liability. Record these as outlays, not as refunds.

20.11 What do I need to know about advances?

Advances are amounts of money prepaid to a Federal Government account for the later receipt of goods, services, or other assets, or as matching funds.

When an advance is required, the budgetary resource provided by the order is equal to the cash accompanying the order. The advance, per se, is not available for obligation. If both the order and the advance were available for obligation, budgetary resources would be double-counted.

Deposit advances with orders in the appropriate appropriation/fund or receipt account.

Deposit advances without orders as follows:

If the advance is from...	Deposit the advance in...
A non-Federal source	Deposit fund account (6500)
A Federal source	An intragovernmental clearing account (F3885)

When a reimbursable agreement with another Federal account is accompanied by a cash advance, you may disburse to pay obligations associated with that advance. However, if you are authorized to incur obligations against customer orders from other Federal accounts without an advance, the order establishes obligational authority only and you may not disburse the account into a negative position (see section 145.2 on Antideficiency Act violations.

If you return a cash advance or other offsetting collection received in a prior fiscal year, you must record an obligation and an outlay in the current fiscal year.

20.12 What do I need to know about accounts and fund types?

(a) *Accounts.*

The term account may refer to a receipt or expenditure account. Governmental receipts and offsetting receipts are deposited into receipt accounts (see section 20.7). Receipt accounts are not available for incurring obligations or making outlays. Expenditure accounts are provided with budget authority (e.g., appropriations or offsetting collections) and are used to incur obligations and make outlays. Receipt and expenditure accounts are further classified into fund types (e.g., general funds and special funds). Fund types are discussed in subsections 20.12(b) through 20.12(f).

The term account may also refer to Treasury accounts and budget accounts. When Congress provides budget authority for a particular purpose or under a particular title, it also provides a specific period of time for which the budget authority is available for obligation. This time period of availability (POA) may be annual, multi-year, or no-year.

Treasury establishes expenditure accounts based on the POA of the resources in the account. That is, Treasury establishes separate accounts with separate Treasury appropriation fund symbols (TAFS) for each POA, i.e., annual, multi-year, or no-year amount. For budget execution, which is governed largely by the Antideficiency Act, you must report data for each of the TAFS expenditure accounts established by Treasury (see section 130).

A budget account generally covers an organized set of activities, programs, or services directed toward a common purpose or goal. For budget formulation, the appropriations and other budget authority provided to TAFS accounts with the same appropriation title for the years covered by the budget are combined and presented as a single account under a single title, e.g., "Salaries and expenses." As an illustration, the FY 2007 column of the program and financing schedule for a "Salaries and expenses" account in the Appendix would include, as appropriate, outlays made in FY 2007 from the unexpired FY 2007 appropriation, the FY 2005–2007 multi-year appropriation, the no-year appropriation, and the five expired annual appropriations (FY 2002 through FY 2006).

For receipt accounts, the budget and Treasury accounts are usually the same.

For information on account identification codes, see section 79.2.

(b) *Overview of fund types.*

Agency activities are financed through general funds, special funds, and revolving funds (public enterprise revolving funds, intragovernmental revolving funds, credit financing accounts), which constitute the Federal funds group, and trust funds and trust revolving funds, which constitute the trust funds group. General, special, and trust fund collections and disbursements may be held temporarily in clearing accounts pending clearance to the applicable account. Agencies account for amounts that are not Government funds in deposit funds. The following table summarizes the characteristics of these funds. The text following the table discusses the types of funds in more depth.

CHARACTERISTICS OF FUND TYPES AND THEIR ACCOUNTS

Fund Type/Account **Treasury Account Symbol**	**What is the purpose of the account?**	**Are receipt accounts and expenditure accounts linked?**	**Are these funds included in the budget?**
Federal funds:			
General fund receipt accounts (0000–3899)	Record unearmarked receipts.	No.	Yes.
General fund expenditure accounts (0000–3899)	Record budget authority, obligations, and outlays of general fund receipts and borrowing. Record offsetting collections authorized by law, such as the Economy Act, and associated budget authority, obligations, and outlays.	No, general fund appropriations draw from general fund receipts collectively.	Yes.
Special fund receipt accounts (5000–5999)	Record receipts earmarked by law for a specific purpose (other than business-like activity).	Yes.	Yes.
Special fund expenditure accounts (5000–5999)	Record budget authority, obligations, and outlays of special fund receipts. Record offsetting collections authorized by law, such as the Economy Act, and associated budget authority, obligations, and outlays	Yes.	Yes.
Public enterprise revolving funds (4000–4499)	Record offsetting collections earmarked by law for a specific purpose and associated budget authority, obligations, and outlays for a business-like activity conducted primarily with the public.	Not applicable. Collections are credited to the expenditure account.	Yes.[1]
Intragovernmental revolving funds (including working capital funds) (4500–4999)	Record offsetting collections earmarked by law for a specific purpose and associated budget authority, obligations, and outlays for a business-like activity conducted primarily within the Government.	Not applicable. Collections credited to the expenditure account.	Yes.

Fund Type/Account Treasury Account Symbol	What is the purpose of the account?	Are receipt accounts and expenditure accounts linked?	Are these funds included in the budget?
Trust funds:			
Trust fund receipt accounts (8000–8399 and 8500–8999)	Record receipts earmarked by law for a specific purpose (other than a business-like activity).	Yes.	Yes.[1]
Trust fund expenditure accounts (8000–8399 and 8500–8999)	Record budget authority, obligations, and outlays of trust fund receipts. Record offsetting collections authorized by law, such as the Economy Act, and associated budget authority, obligations, and outlays.	Yes.	Yes.[1]
Trust revolving funds (8400–8499)	Record offsetting collections earmarked by law for a specific purpose and associated budget authority, obligations, and outlays for a business-like activity conducted primarily with the public.	Not applicable. Collections credited to the expenditure account.	Yes.
Other: (non-budgetary)			
Clearing accounts (F3800–F3885)	Temporarily hold general, special, or trust fund Federal Government collections or disbursements pending clearance to the applicable receipt or expenditure accounts. (Amounts in clearing accounts should not be used to make outlays or payments.)	Not applicable. Deposits and disbursements are recorded in the same account.	Yes, once they are posted to either a receipt or expenditure account.
Deposit funds (6000–6999)	Record deposits and disbursements of monies not owned by the Government or not donated to the Government (amounts donated to the Government are deposited in a special or trust fund account).	Not applicable. Deposits and disbursements are recorded in the same account.	No.

[1] By law, the budget authority and the outlays (net of offsetting collections) of the Postal Service Fund (a revolving fund), and the receipts, budget authority, and outlays of the two social security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) are excluded from the on-budget

totals. The budget documents present these amounts as "off-budget" and add~~s~~ them to the budget totals to show totals for the Federal Government (sometimes called unified budget totals).

(c) *Federal funds.*

Federal funds comprise several types of accounts or funds. A general fund receipt account records receipts not earmarked by law for a specific purpose, such as individual income tax receipts. A general fund expenditure account records appropriations from the general fund and the associated transactions, such as obligations and outlays. General fund appropriations draw from general fund receipts collectively and, therefore, are not specifically linked to receipt accounts.

The Federal funds group also includes special funds and revolving funds, both of which earmark collections for spending on specific purposes. We establish a special fund where the law requires us to earmark collections from a specified source to finance a particular program, and the law neither authorizes the fund to conduct a cycle of business-type operations (making it a revolving fund) nor designates it as a trust fund. For example, a law established the Land and water conservation fund, earmarking a portion of rents and royalties from Outer Continental Shelf lands and other receipts to be used for land acquisition, conservation, and recreation programs. The receipts earmarked to a fund are recorded in one or more special fund receipt accounts. More than one receipt account may be necessary to distinguish different types of receipts (governmental, proprietary, etc.) and receipts from significantly different types of transactions (registration fees vs. fines and penalties, for example). The fund's appropriations and associated transactions are recorded in a special fund expenditure account. Most funds have only one expenditure account, even if they have multiple receipt accounts. However, a large fund, especially one with appropriations to more than one agency (such as the Land and water conservation fund), may have more than one expenditure account. The majority of special fund collections are derived from the Government's power to impose taxes, fines, and other compulsory payments, and they must be appropriated before they can be obligated and spent.

Revolving funds conduct continuing cycles of business-like activity. They charge for the sale of products or services and use the proceeds to finance their spending. Instead of recording the collections in receipt accounts (as offsetting receipts), the budget records the collections and the outlays of revolving funds in the same account. The laws that establish revolving funds authorize the collections to be obligated and outlayed for the purposes of the fund without further appropriation. The law of supply and demand is expected to regulate such funds. However, in some cases, Congress enacts obligation limitations on the funds in appropriations acts as a way of controlling their expenditures (for example, a limitation on administrative expenses). There are two types of revolving funds in the Federal funds group. Public enterprise funds, such as the Postal Service Fund, conduct business-like operations mainly with the public. Intragovernmental funds, such as the Federal Buildings Fund, conduct business-like operations mainly within and between Government agencies.

(d) *Trust funds.*

Trust funds account for the receipt and expenditure of monies by the Government for carrying out specific purposes and programs in accordance with the terms of a statute that designates the fund as a trust fund (such as the Highway Trust Fund) or for carrying out the stipulations of a trust agreement where the Nation is the beneficiary (such as any of several trust funds for gifts and donations for specific purposes). Like special funds and revolving funds, trust funds earmark collections for spending on specific purposes. Many of the larger trust funds finance social insurance payments for individuals, such as Social Security, Medicare, and unemployment compensation. Other major trust funds finance military and Federal civilian employees' retirement, highway and mass transit construction, and airport and airway development.

A trust fund normally consists of one or more receipt accounts to record receipts and an expenditure account to record the appropriation of the receipts and associated transactions. Some trust funds have multiple receipt accounts for the same reasons that special funds have them. Also, like special funds, large trust funds (such as the Highway Trust Fund) may have multiple expenditure accounts. A few trust funds, such as the Veterans Special Life Insurance fund and the Employees Life Insurance Fund, are established by law as revolving funds. These funds operate the same way as revolving funds in the Federal funds group, and we call them trust revolving funds. They conduct a cycle of business-type operations. The collections are credited to the expenditure account as offsetting collections and their outlays are displayed net of collections in a single expenditure account.

The Federal budget meaning of the term "trust", as applied to trust fund accounts, differs significantly from its private sector usage. In the private sector, the beneficiary of a trust usually owns the trust's assets, which are managed by a trustee who must follow the stipulations of the trust. In contrast, the Federal Government owns the assets of most Federal trust funds, and it can raise or lower future trust fund collections and payments, or change the purposes for which the collections are used, by changing existing laws. There is no substantive difference between these trust funds and special funds or between trust revolving funds and public enterprise revolving funds. Whether a particular fund is designated in law as a trust fund is, in many cases, arbitrary. For example, the National Service Life Insurance Fund is a trust fund, but the Servicemen's Group Life Insurance Fund is a Federal fund, even though both are financed by earmarked fees paid by veterans and both provide life insurance payments to veterans' beneficiaries. There are a few Federal trust funds that are managed pursuant to a trust agreement. These are identified in the budget as "gift funds". In addition, the Government does act as a true trustee on behalf of some entities outside of the Government where it makes no decisions about the amount of these deposits or how they are spent. For example, it maintains accounts on behalf of individual Federal employees in the Thrift Savings Fund, investing them as directed by the individual employee. The Government accounts for such funds in deposit funds (see the section after next).

(e) *Clearing accounts.*

You use clearing accounts to temporarily account for transactions that you know belong to the Government while you wait for information that will allow you to match the transaction to a specific receipt or expenditure account. For example:

- To temporarily credit unclassified transactions from the public when there is a reasonable presumption that the amounts belong to a Federal Government account other than miscellaneous receipts in the Treasury.

- To temporarily credit unclassified transactions between Federal agencies, including Intragovernmental Payment and Collection (IPAC) transactions.

You should not use clearing accounts to mask an overobligation or overexpenditure of an expenditure account.

(f) *Deposit funds.*

You use deposit funds to account for monies that do not belong to the Government. This includes monies held temporarily by the Government until ownership is determined (such as earnest money paid by bidders for mineral leases) or held by the Government as an agent for others (such as State and local income taxes withheld from Federal employees' salaries and not yet paid to the State or local government). We exclude deposit fund transactions, as such, from the budget totals because the funds are not owned by the Government. Therefore, the budget records transactions between deposit funds and budgetary accounts as transactions with the public. For example, when the mineral leasing process has been completed, the winning bidder's earnest money is transferred from the deposit fund to the appropriate receipt account and the budget records a receipt. Similarly, outlays are recorded in an agency's salaries and expense account when a Federal employee is paid, even though some of the amount is transferred to a deposit fund for State and local income taxes withheld and paid later to the State and local government. Deposits and associated disbursements are recorded in the same account.

20.13 What do I need to know about reimbursable work?

Agencies can perform reimbursable work for the public or other Federal agencies. The types of laws that allow you to use advances or reimbursements in return for providing others with goods and services are:

- Laws that establish revolving funds, including franchise funds and working capital funds;
- Provisions in appropriations or substantive laws that allow agencies to use the amounts they collect; and
- The Economy Act (31.U.S.C. 1535).

(a) *Revolving funds.*

You may use a revolving fund when a law establishes the revolving funds and authorizes you to credit payments to the revolving fund that performs the work. Revolving funds operate on a reimbursable basis when working capital (undisbursed cash) is available. Otherwise, advance payments must accompany orders. You may *not* disburse revolving funds into a negative cash position in anticipation of Federal or non-Federal reimbursements because of the Antideficiency Act.

(b) *Payments from the public*.

If the law authorizes an expenditure account to perform work for the public and to credit collections from the public as spending authority, you may cover obligations incurred by the account by:

- Advances collected up to the amount of accompanying orders (see section 20.11 for treatment of advances).
- Working capital that is available for this purpose.

(c) *Economy Act.*

The Act authorizes the head of an agency or major organizational unit within an agency to place an order with a major organizational unit within the same agency or another Federal agency for goods or services provided that:

- The ordering agency has enough money to pay for the order.
- The head of the ordering agency or unit decides the order is in the best interest of the United States Government.
- The agency or unit to fill the order is able to provide or get by contract the ordered goods or services.
- The head of the ordering agency decides that the ordered goods or services cannot be provided by contract as conveniently or cheaply by a commercial enterprise.
- Transactions authorized by the Economy Act are limited by the statutory requirement that the amount obligated by the ordering appropriation is required to be deobligated to the extent that the agency or unit filling the order has not incurred obligations before the end of the period of availability of the ordering appropriation.

Under the Economy Act, payment (via expenditure transfer) may be made in advance or reimbursements may be made. Advances and reimbursements from other Federal Government appropriations are available for obligation when the ordering appropriation records a valid obligation to cover the order. The Act states that the providing (servicing) agency shall charge the ordering (requesting) agency "on the basis of the actual cost of goods or services provided" as agreed to by the agencies. Specific questions about Economy Act requirements should be directed to the agency's Chief Financial Officer and/or Office of General Counsel.

Transfers[1] of Budgetary Resources Among Federal Government Accounts

TYPE OF TRANSACTION	NATURE OF TRANSACTION	TREASURY ACCOUNTING TREATMENT	BUDGET TREATMENT
I. NONEXPENDITURE TRANSFERS			
A. TRANSFER OF AUTHORITY TO OBLIGATE	Transfers to carry out the purposes of the RECEIVING ACCOUNT, for example, to shift resources from one purpose to another or to reflect a reorganization.	TRANSFER via S.F. 1151	The TRANSFERRING ACCOUNT reports a transfer out of budget authority or balances. THE RECEIVING ACCOUNT reports a transfer in.
B. ALLOCATION OF AUTHORITY TO OBLIGATE i.e., transfers to transfer appropriation accounts	Transfers to carry out the purposes of the PARENT ACCOUNT.	TRANSFER via S.F. 1151	Obligations and outlays are reported by the PARENT ACCOUNT.
II. EXPENDITURE TRANSFERS			
A. EXPENDITURE TRANSFER PAYMENTS BETWEEN TWO FEDERAL FUNDS OR BETWEEN TWO TRUST FUNDS	Payments to carry out the purposes of the PAYING ACCOUNT, such as payments in return for goods and services authorized under the Economy Act. Payments that represent financial interchanges between Federal government accounts that are not in exchange for goods and services.	PAYMENTS via S.F. 224 or electronic funds transfer.[2]	Obligations and outlays are reported by the PAYING account. Offsetting collections are reported by the RECEIVING account. The collections are (1) ADVANCES or (2) REPAYMENTS in the form of REIMBURSEMENTS or REFUNDS.
B. EXPENDITURE TRANSFER PAYMENTS BETWEEN FEDERAL AND TRUST FUNDS	All transfers between the two fund groups are expenditure transfers.	PAYMENTS via S.F. 224 or electronic funds transfer.	Same as above.

[1] A transfer is distinguished from a reprogramming in that a reprogramming always involves the shifting of budgetary resources within a Treasury account whereas a transfer usually involves the shifting of budgetary resource between two Treasury accounts. However, the shifting of budgetary resources within a single Treasury account should be considered a transfer if the action moves budgetary resources between separate statutory appropriations.

[2] For non-Treasury disbursing offices, the equivalent of the SF 224 is the SF 1219, Statement of Accountability, and SF 1220, Statement of Transactions.

SECTION 22—COMMUNICATIONS WITH THE CONGRESS AND THE PUBLIC AND CLEARANCE REQUIREMENTS

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22.1 Confidentiality of budget deliberations.

The nature and amounts of the President's decisions and the underlying materials are confidential. Do not release the President's decisions outside of your agency until the Budget is transmitted to the Congress. The materials underlying those decisions should not be released at any time, except in accordance with this section. In addition, outyear discretionary data is considered pre-decisional and should not be released without prior OMB approval. (For additional information on the confidentiality of pre-decisional budget information, please consult OMB Memorandum M–01–17 of April 25, 2001.)

Presidential decisions on current and budget year estimates (other than forecasts of items that will be transmitted formally later), both in total and in detail, become the "proposed appropriations" as that term is used in the Budget and Accounting Act of 1921, as amended, and must be justified by your agency. Do not release agency justifications provided to OMB and any agency future year plans or long-range estimates to anyone outside the Executive Branch, except in accordance with this section.

22.2 Congressional testimony and communications.

The Executive Branch communications that led to the President's budgetary decisions will not be disclosed either by the agencies or by those who have prepared the budget. In addition, agency justifications provided to OMB and any agency future year plans or long-range estimates will not be furnished to anyone outside the Executive Branch, except in accordance with this section.

When furnishing information on appropriations and budgetary matters, you (and your agency representatives) should be aware of the following limitation on communications:

> "...An officer or employee of an agency may submit to Congress or a committee of Congress an appropriations estimate or request, a request for an increase in that estimate or request, or a recommendation on meeting the financial needs of the Government only when requested by either House of Congress" (31 U.S.C. § 1108(e)).

You should also be aware of restrictions on communications to influence legislation that are not conducted through proper official channels (18 U.S.C. § 1913).

After formal transmittal of the budget, an amendment, or a supplemental appropriations request, the following policies apply when testifying before any congressional committee or communicating with Members of the Congress:

- Witnesses will give frank and complete answers to all questions.

- Witnesses will avoid volunteering personal opinions that reflect positions inconsistent with the President's program or appropriation request.

- If statutory provisions exist for the direct submission of the agency budget request to the Congress, OMB may provide you additional materials supporting the President's Budget request that you will forward to the Congress with the agency testimony. Witnesses will be prepared to explain the agency submission, the request in the President's Budget, and any justification material.

- When responding to specific questions on program and appropriations requests, witnesses will not provide the agency request to OMB or plans for the use of appropriations that exceed the President's request. Typically, witnesses are responsible for one or a few programs, whereas the President is responsible for all the needs of the Federal Government given the revenues available. Where appropriate, witnesses should explain this difference in perspective and that it is therefore not appropriate for them to support appropriations above the President's request.

- When asked to provide a written response that involves a statement of opinion on program and appropriations requests, witnesses will provide a reply through the agency head.

- Do not let your communications be perceived as an "appropriations estimate or request ... or an increase in that estimate or request" (31 U.S.C. § 1108). You are expected to support the President's budgetary decisions and seek adjustments to those decisions only through established procedures if your agency head determines such action is necessary.

22.3 Clearance of materials for the Congress and the media.

Policy consistency between the President's Budget and the budget-related materials prepared for the Congress and the media is essential. To ensure this consistency, you are required to submit budget-related materials to OMB for clearance prior to transmittal to congressional committees, individual Members of the Congress or their staff, or the media. Unless a specific exemption is approved by OMB, materials subject to OMB clearance include:

- All budget justifications and budget-related oversight materials;

- Testimony before and letters to congressional committees;

- Written responses to congressional inquiries or other materials for the record;

- Materials responding to committee and subcommittee reporting requirements;

- Capability statements;

- Appeals letters;

- Reprogramming requests;

- Related cost information;

- Financial management documents addressing budget and policy issues (e.g., some accountability reports or transmittal documents for audited financial statements); and

- Proposed press releases relating to the President's Budget.

Provide this information to OMB five working days in advance to allow adequate review time. Performance and Accountability Reports should be provided 10 days in advance unless a shorter period is approved by OMB. OMB review of reprogramming requests may take longer in some circumstances (e.g., if the request has not been coordinated or if supporting materials have not been provided concurrently). In exceptional circumstances, where the response time is very short, agencies may request oral clearance or make other arrangements for expedited review. Immediately after the budget transmittal and after subsequent transmittals, provide OMB with a schedule of anticipated congressional reviews that require agency oral and written participation. Revise this schedule as appropriate.

Address any questions you have about this subsection to the OMB representatives whom you normally consult on budget-related matters.

22.4 Clearance of changes to the President's Budget.

If you want to propose changes to the President's Budget (e.g., appropriations language, limitations, balance sheets required by the Government Corporation Control Act, and dollar amounts), you must follow the confidentiality and clearance guidance provided in this section and submit a written request as described in section 110.3. OMB will notify you whether a formal transmittal of the change will be made.

When it is possible to reduce the amount of an appropriations request before action has been taken by the Appropriations Committee of either House, the head of your agency should inform OMB promptly. Before your agency head decides to request restoration of a reduction, the reasons for the reduction, the circumstances under which it was made, and its significance to the President's program should be carefully considered.

22.5 Information available to the public.

Agency budget documents that are subject to the Freedom of Information Act (FOIA) may be exempt from mandatory release pursuant to 5 U.S.C. § 552(b)(5). Depending on the nature of the record requested, other FOIA exemptions may apply. When deciding whether to withhold a budget document that is exempt from mandatory release, follow the FOIA memorandum issued by the President on January 21, 2009 and the FOIA guidance issued by the Attorney General on March 19, 2009. Any discretionary decision by an agency to disclose protected information should be made only after full and deliberate consideration of the institutional interests that could be implicated by disclosure, as well as after consultation with OMB. Agency heads are responsible for determining the propriety of record releases under FOIA.

Certain agencies headed by a collegial body are required to hold their meetings open to public observation unless the agency properly determines that the matter to be discussed warrants the closing of those meetings for reasons enumerated in the Government in the Sunshine Act (5 U.S.C. § 552). Some meetings covered by that Act may pertain to budgetary information discussed in this Circular. Although, as with the FOIA, it is not possible to determine merely by the generic category of such information whether such an agency would be authorized to close a particular meeting covered by the Act, agencies should review those situations that involve budgetary information under the guidelines in the paragraph above and 5 U.S.C. § 552(c). Such agencies are responsible for the propriety of determinations under these guidelines and provisions.

22.6 Congressional budget justifications.

Congressional budget justification materials include the performance budget submission and additional information described below as well as detailed descriptions of agencies' activities and proposals at the program, project, and activity level.

(a) *Materials for performance budget submission to the Congress.*

For FY 2010, you will have submitted your budget to OMB as a performance budget, presenting what you propose to accomplish in the upcoming year and what resources your proposal will require. Descriptions of the performance budget are presented in sections 51 and 200. If you choose the alternative method for submitting your Performance and Accountability Report (PAR), you should follow the instructions in Section 230 to transmit the Annual Performance Report (APR) with your congressional budget justification.

You should revise the performance budget submission to reflect decisions made in the Administration's budget process, and use the performance budget format as the basis for your justification of the budget request to the Congress. You should consult with your congressional representatives to agree on the performance budget format, including the use of the results of PART assessments, prior to submitting your congressional justification. Your OMB representative should be included in those consultations as appropriate.

Your congressional justification should be in the form of a "performance budget" to the greatest extent possible. A performance budget should include:

- A description of what you plan to accomplish, organized by strategic goal;
- Background on what you have accomplished;
- Performance targets for current and budget years and how you expect to achieve those targets; and
- What resources you are requesting to achieve the targets.

Where possible, you should include the full cost of a program, and you should align budget accounts with programs.

You should provide your proposed justification to the Congress to your OMB representative with sufficient time for review. Because agencies choosing the alternative method for submitting the PAR will be including additional information in their congressional justification, they should plan to provide OMB with additional time to review the document.

(b) *Material to be included in congressional budget justifications.*

Consistent with 41 U.S.C. § 433(h), you should identify funding levels requested for education and training of the acquisition workforce in your budget justifications to the Congress.

Consistent with 42 U.S.C. § 8255, you should identify funds requested for energy conservation measures in your budget justifications to the Congress.

You should provide the Congress with information to assess current and proposed capital projects that is consistent with the Administration's budget proposals, including: appropriate information on planning; budgeting, including the current or proposed use of incremental or full funding; acquisition; and management of the projects.

You should also provide the Congress with information on the expected benefits you will receive from the President's E-Government initiatives and the funding levels for FY 2010 by account code. Include a link to the website containing your updated exhibit 300s (see section 300.7).

You must submit all budget justification materials to OMB for clearance before transmitting them to the Congress.

(c) *Availability of congressional budget justifications.*

You should make your full congressional budget justification materials available to the public and post the materials on the Internet within two weeks after transmittal of those materials to the Congress. Release of these materials must be done in accordance with the requirements of this section and any relevant provisions of law. Materials will not be released if disclosure is prohibited by statute, the materials are classified or must be kept secret in the interest of national security or foreign policy, or the materials are otherwise exempt from release pursuant to 5 U.S.C. § 552(b).

CIRCULAR NO. A–11

PART 2

PREPARATION AND SUBMISSION OF BUDGET ESTIMATES

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 25—SUMMARY OF REQUIREMENTS

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Key Dates for the FY 2011 Budget

Initial budget submissions to OMB .... September 14
FACTS II closes for 4th quarter, FY 2009 .... October 19
MAX database opens; FACTS II revision window opens .... November 2
Agency PY lock and FACTS II revision window closes .... November 13[1]
Receipt PY revision window closes November 13
Economic assumptions released .... November 19
Final Treasury PY outlays (TCS) loaded
into MAX for selected accounts .... November 30
Agency baseline lock (discretionary and mandatory) .... December 14[2]
Final database: Agency lock-out .... January 8
Transmittal of the FY 2011 Budget .... February 1

[1] The prior year lock will apply to all schedules.
[2] Estimates of items included as transmit 7's in the baseline projection of current policy will also be required at this time.

25.1 Does Part 2 (Preparation and Submission of Budget Estimates) apply to me?

By law (31 U.S.C. 1104), the President's budget must include information on all agencies of all three branches of the Federal Government. Therefore, the instructions in Part 2 generally apply to all Government agencies. In addition, these instructions apply to the District of Columbia, which must submit information in support of Federal payments to the District. OMB includes the information submitted by certain agencies in the budget without change. In addition, Government-sponsored enterprises (GSEs) submit some of the information required of Government agencies on a comparable basis, and OMB includes it in the budget for information purposes.

If your agency appears in the following list, it is not subject to Executive Branch review by law or custom. That means that the requirements for submitting materials in support of your budget request do not apply to you. However, you do need to submit the information required for inclusion in the budget database and documents, which OMB incorporates without revision.

- Legislative Branch agencies.
- Judicial Branch agencies.
- Executive Branch agencies, as follows:

- Milk, Fruit, and Vegetable Marketing Orders, USDA.
- International Trade Commission.
- Postal Service.
- Board of Governors of the Federal Reserve System.

- Government-Sponsored Enterprises (GSEs) as follows:
  - Federal National Mortgage Association.
  - Federal Home Loan Mortgage Corporation.
  - Banks for cooperatives.
  - Agriculture credit banks.
  - Farm credit banks.
  - Federal Agricultural Mortgage Corporation.
  - Federal home loan banks.
  - Financing Corporation.
  - Resolution Funding Corporation.

Contact your OMB representative if you have questions about the applicability of these instructions.

25.2 How do I get an exception?

For the sake of comparability among the budget data and presentations, OMB does not grant many exceptions to the specific requirements in this Part. However, if you believe special circumstances warrant an exception in your case, submit a written request detailing the circumstances and the specific exception needed to your OMB representative by August 1. If OMB approves the exception, it is valid only for the specified budget.

25.3 For what items do I need advance approval?

You must get advance approval from your OMB representative for the items shown in the table below.

Item	See section...	Timing
(1) Form and content of justification materials.	51.2	To be determined in consultation with your OMB representative.
(2) Program activity structure in the program and financing schedule.	82.2	By October 1.
(3) Changes in functional and receipt classifications.	79.3	By October 1.
(4) Changes in budget account structure (new accounts, merged accounts, changes in account titles, etc.)	79.3	By October 1 or as soon as possible thereafter for changes dependent on congressional action or other circumstances beyond agency control.

25.4 How do I submit information to OMB?

You generally submit information in two stages:

(1) *As part of your budget request.* Both Executive Branch agencies that are subject to Executive Branch review and the District of Columbia must prepare information and materials supporting their budget request. Your OMB representative will work with you to determine the specific form, content

and timing of this information. Agencies that are not subject to Executive Branch review are not required to submit this information.

(2) *After passback*. This stage includes MAX computer data, print materials, and additional information used to prepare the budget documents and supporting database. Also, you may need to revise and resubmit some materials included in the budget request to reflect the effects of final decisions. Your OMB representative will provide deadlines for the materials required after passback. Agencies that are not subject to Executive Branch review need to submit information for inclusion in the budget documents and the budget database.

In the following sections, we tell you more about each stage, the items required, the criteria for determining whether the item applies to your agency, and where to find more detailed guidance on the item.

25.5 What do I include in the budget request?

You should include the information described below. In addition, your OMB representative may require you to include other materials (for example, information about your budget request by account and Budget Enforcement Act (BEA) category).

TABLE 1: CONTENTS OF THE BUDGET REQUEST[1]
Access web links at http://www.whitehouse.gov/omb/assets/a11_current_year/s25.pdf

If your agency is subject to Executive Branch Review and...	Then include this...	See section or link…
	Justification materials	51.2
Covered by the Chief Financial Officers Act	Report on resources for financial management activities (Exhibit 52) *(Due January 31, 2010)*	52
	Brief discussion in PAR or AFR of the agency's financial management systems strategy. *(Due November 16, 2009)*	52.3 and 52.4
Not covered by the Chief Financial Officers Act	Brief discussion in PAR or AFR of the agency's financial management systems strategy. If agency does not publish a PAR, include this information in the budget submission. *(Due November 16, 2009)*	52.3 and 52.4
Has motor vehicles	Motor vehicle fleet report *(Due August 28, 2009, initial agency input)*	Instructions
Requesting funds to invest into your IT Portfolio	Agency Information Technology Investment Portfolio *(Due September 18, 2009)*	53
Obligates more than $5 million annually for rental payments to GSA or others	Space budget justification	54

TABLE 1: CONTENTS OF THE BUDGET REQUEST[1]
Access web links at http://www.whitehouse.gov/omb/assets/a11_current_year/s25.pdf

If your agency is subject to Executive Branch Review and...	Then include this...	See section or link…
Has credit liquidating accounts with unobligated balances that carry over into the current year	Justification of unobligated balances in liquidating accounts	51.13, 185.3(k)
Has geospatial data investments greater than $500,000	Information on geospatial data investments [2] *(Due within 90 days of enactment of an agency's 2010 appropriations bill)*	Instructions
Controls its federally–owned building space or directly pays the utilities on its leased space or operates a Federal fleet of 20 or more light duty motor vehicles	Information on funds for energy efficiency management	Instructions Spreadsheet
Has overseas employees at embassies or consulates	Information on overseas staffing and costs *(Due September 4, 2009)*	Instructions Spreadsheet
Implements homeland security related initiatives	Homeland security data collection	Instructions
Has technology transfers	Information on technology transfers	Instructions Spreadsheet
Subject to GPRA requirements	Performance budget	51.7, 200
Requesting funds for major investments or capital acquisitions	Capital asset plan and business case [2] *(Due September 18, 2009)*	300
Is proposing any discretionary administrative actions that would increase mandatory spending	Information on planned administrative actions	OMB Memorandum M–05–13
Major formula grants to State or local governments	State-by-State data and other information *(Due after Passback)*	Instructions

[1] Materials are due September 14, 2009, unless otherwise specified. Requirements do not apply to agencies not subject to Executive Branch review (see section 25.1).

[2] If final decisions require changes to this information, revised materials must be submitted.

25.6 What do I submit after passback?

(a) *Overview.*

After the President has considered the estimates and made his decisions, you will be notified. You submit two types of information after passback, as explained in more detail in the following sections:

- *MAX computer data,* submitted through the MAX budget data system (see sections 79-86).
- *Print materials,* which OMB uses to prepare parts of the budget *Appendix* (see section 95).

If the decisions affect other budget accounts (such as the amount of transfers), you need to coordinate these changes with whomever is responsible for the budget submission of those other accounts.

When you are informed of the President's decisions, your agency head will determine the best and most appropriate distribution of amounts that have been left flexible. This Circular does not address the process by which you appeal passback decisions. We issue separate guidance on the appeals process at the time of passback.

(b) *Timing.*

Passback usually occurs around the end of November. At that time, your OMB representative will give you deadlines for providing the information described below. These deadlines are based on the very tight schedule that OMB must maintain in order to transmit the budget in a timely manner. In order to meet the deadlines, you must begin providing the required information based on passback decisions. Do not wait until you have resolved appeals. Appeals generally affect very little of the information you submit, and you will have an opportunity to change the information as necessary to reflect the appeal resolution. Unless your OMB representative agrees, do not submit information that assumes an appeal resolution different from passback. When an appeal results in changes to passback decisions, the changes often differ from the agency proposal.

(c) *MAX computer data.*

You must submit the MAX computer data described below for each applicable budget account. In addition, if the criterion listed in the first column of the table applies to you, submit the data described in the second column for each applicable budget account. We indicate the MAX data schedule or schedules involved and tell you where to find guidance on the requirement.

TABLE 2: MAX COMPUTER DATA [1,2,3]

If your agency has…	**Then submit for each applicable budget account…**	**MAX data schedule…**	**See section…**
Budget authority and outlays	Estimates of budget authority and outlays	A, S	81
	Character classification data, including R&D data	C	84
	Program and financing schedules[3]	P	82
Obligations	Object classification schedules	O	83
Employment	Employment summary	Q	85.6
Receipt accounts	Receipt estimates	K and R	81
Credit liquidating or financing accounts; or non-credit revolving funds that conduct business-type activities (as determined by OMB), including GSEs	Balance sheet	F	86.1
Appropriations language requests	Budget year appropriations requests in thousands	T	86.2
Major trust funds and certain other accounts (as determined by OMB)	Status of funds	J	86.3

TABLE 2: MAX COMPUTER DATA [1,2,3]

If your agency has…	Then submit for each applicable budget account…	MAX data schedule…	See section…
Special or trust fund receipts	Special and trust fund receipts	N	86.4
Credit programs	Federal credit data	G, H, U, and Y	185

[1] Including agencies not subject to Executive Branch review. GSEs submit data for schedules F, G, and H only. Federal Reserve Board submits data for schedules A, P, and O only.

[2] Information required for schedules A, S, and P will be reported in a single worksheet (schedule X).

[3] Schedule P also required for accounts with obligated or unobligated balances.

(d) *Print materials.*

Print materials include these items printed in the *Budget Appendix*:

- *Appropriations language.* You must submit language for each account for which appropriations or limitation language was enacted in the CY or is proposed in the CY or BY, including supplemental appropriations requests. You must also submit any general provisions that pertain to you (see section 95).

- *Narrative statements, footnotes, and tables.* You must provide a narrative statement for each account with activity in the current or budget year and separate statements for supplemental requests, rescission proposals, and items proposed for later transmittal. You may be required to provide tables and footnotes that are not generated by MAX under certain circumstances (see section 95).

SECTION 31—COMPLIANCE WITH ADMINISTRATION POLICIES AND OTHER GENERAL REQUIREMENTS

Table of Contents

Summary of Changes

Highlights budget justification guidance provided in OMB Memorandum M-09-20 (section 31.1)

Drops requirements pertaining to the MAX electronic network and performance of commercial activities that are no longer valid (old sections 31.8 and 31.11).

31.1 Basic policies and assumptions.

(a) *What should be the basis for my proposals?*

Your proposals should result from a comprehensive system that integrates analysis, planning, evaluation, and budgeting. They should reflect the extensive guidance provided in OMB Memorandum M-09-20, Planning for the President's Fiscal Year 2011 Budget and Performance Plans. Among other things, this memo provides specific guidance on high priority performance goals, submission of the 2011 budget, steps to reform agency hiring processes, and steps to improve employee satisfaction and wellness.

In developing the estimates, consider the effect that demographic, economic, or other changes can have on program levels beyond the budget year. Be prepared to discuss the impact that program levels and changes in methods of program delivery, including advances in technology, will have on program operations and administration. Also consider the appropriate roles for Federal, State, and local governments, as well as the private sector, in conducting the covered activities.

(b) *What is the scope of the policy estimates?*

(1) *Presidential policy estimates for CY and BY.*

(i) *Regular annual estimates*. Your regular annual estimates must reflect all requirements anticipated at the time of budget submission, and should cover:

- Continuing activities, including those that must be reauthorized for the budget year;
- Authorized activities that are proposed for the budget year;
- Amounts necessary to meet specific financial liabilities imposed by law; and
- Decreases for activities proposed for termination or reduction.

(ii) *Supplemental proposals.* You should make every effort to conduct your programs within the amounts appropriated for the current year and to postpone actions that require supplemental appropriations. OMB will only consider supplemental requests that meet the criteria provided in section 110.

(2) *Presidential policy outyear estimates.*

Policy estimates for the nine years following the budget year (BY+1 through BY+9) enable an analysis of the long-term consequences of proposed program or tax policy initiatives. When you develop outyear policy estimates, they should be consistent with the general policies and information required for the budget year and indicate the degree to which specific policy decisions made for the budget year or any subsequent year affect budget authority, outlay, and receipt outyear levels. Take into consideration changes in spending trends, economic assumptions, and other actions or events when you prepare estimates of budget authority, outlays, and receipts for BY+1 through BY+9.

(c) *What economic assumptions should I use when I develop estimates?*

All budget materials, including those for the outyear policy and baseline estimates, must be consistent with the economic assumptions provided by OMB. The specific guidance below applies to outyear policy estimates.

OMB policy permits *consideration* of price changes for goods and services as a factor in developing estimates. However, this does not mean that you should automatically include an allowance for the full rate of anticipated inflation in your request.

For *mandatory programs,* reflect the full inflation rate where such an allowance is required by law and there has been no decision to propose less than required. For *discretionary programs,* you may include an allowance for the full rate of anticipated inflation, an allowance for less than the full rate, or even no allowance for inflation. In many cases, you must make trade-offs between budgeting increases for inflation versus other increases for programmatic purposes. Unless OMB determines otherwise, you must prepare your budget requests to OMB within the budget planning guidance levels provided to you, regardless of the effect of inflation.

Economic assumptions may be revised shortly before final budget decisions are made. These revisions will not usually result in changes to the previous budget guidance on your agency totals.

See sections 32 and 85 for personnel assumptions and costs.

31.2 Advance appropriations.

Do not request advance appropriations if the only purpose is to shift budget authority for a program that would normally be provided in the budget year. For example, if you would normally request budget authority in the budget year to cover a cohort of obligations for a grant program, even though some of the obligations will not be incurred until the following fiscal year, you may not request an advance appropriation to cover the obligations expected to be incurred in the following fiscal year.

31.3 Agency administrative actions.

OMB Memorandum No. M–05–13, Budget Discipline for Agency Administrative Actions, requires you to identify offsets when proposing administrative actions such as regulations, demonstrations, program notices, guidance to States or contractors, or other similar actions not required by law that would increase mandatory spending. In addition, you are required to include with your budget submission a list of all planned or anticipated administrative actions that would increase mandatory spending (see section 25.5.)

31.4 Environmental management.

The OMB/CEQ joint letter of April 1, 2002 applauds those agencies developing and implementing effective environmental management systems. Federal agencies should develop and implement environmental management systems in order to integrate environmental accountability into agency day-to-day decision-making and long-term planning processes across all agency missions, activities, and functions. These efforts must be funded within guidance totals. They should include, but not be limited to, the following components: initial self-assessments, development of performance measures, policy, and establishment of management systems.

31.5 Equal opportunity.

Your estimates should reflect the Administration's commitment to programs designed to ensure or promote equal opportunity regardless of race, color, religion, national origin, sex, disability, or age. These civil rights activities include the following: implementation of statutes or regulations requiring fair housing; nondiscrimination in federally assisted or conducted programs; equal credit opportunity; full voting rights; civil and Constitutional rights; equal employment opportunity (including nondiscrimination by Federal agencies); and efforts to increase Federal contracting and subcontracting opportunities for minorities, women, and disadvantaged entrepreneurs.

31.6 Full funding.

Requests for acquisition of capital assets must propose full funding to cover the full costs of the project or a useful segment of the project, consistent with the policy stated in section 300. Specifically, requests for procurement programs must provide for full funding of the entire cost. In addition, requests for construction programs must provide for full funding of the complete cost of construction. You should not submit estimates for construction funds for major construction projects unless planning will reach a point by the end of the current year that will ensure that a contract for construction could be awarded during the budget year. Remember that Administration policy and the Antideficiency Act require you to have sufficient budget authority or other budgetary resources to cover the full amount of unconditional obligations under any contract.

For policies related to leases of capital assets and lease-purchases, see section 33.1 and Appendix B. For guidance on budget submissions for capital asset acquisitions, see Part 7 (section 300) of this Circular. For guidance on principles and techniques of planning, budgeting, procurement, and management of capital assets, see the supplement to this Circular, the Capital Programming Guide.

31.7 Government perquisites.

Your estimates should reflect Administration policy to limit the use of Government vehicles, Government aircraft, first class air travel, executive dining facilities, and conferences, in accordance with Presidential memoranda, dated February 10, 1993.

31.8 Multi-year appropriations.

Consider whether it is appropriate to request appropriations with multi-year availability, particularly for buildings, equipment, and other types of fixed capital assets, including major ADP and telecommunications systems, with long acquisition cycles. Where multi-year appropriations requests are appropriate, you should match the period of availability to the expected length of the acquisition cycle.

31.9 Management improvement initiatives and policies.

Your estimates should reflect your efforts and planned action to strengthen management and improve program performance. Guidance on specific areas is provided below.

- *Capital planning and investment control.* Your estimates should reflect the Administration's commitment to information technology (IT) investments that directly support agency strategic missions; employ an integrated planning, budgeting, and procurement process; are citizen-centered; and are consistent with the Clinger Cohen Act of 1996, the Paperwork Reduction Act, the Federal Acquisition Streamlining Act, and OMB Circular A–130, Management of Federal Information Resources (see also section 53 and section 300, where applicable).

- *Electronic transactions and electronic recordkeeping.* Your estimates should prioritize and manage E-Government projects effectively through your agency's capital planning process and enterprise architecture. Initiatives should create a citizen-centered electronic presence (maximizing use of the Internet) and advance an E-Government strategy that includes specific outcomes to be achieved. Your estimates should reflect the requirements of the Government Paperwork Elimination Act, the E-Government Act, and OMB's guidance.

- *Security.* Your estimates should reflect a comprehensive understanding of OMB security policies and National Institute of Standards and Technology (NIST) guidance, including compliance with the Federal Information Security Management Act, and OMB Memorandum No. M–03–19, "Reporting Instructions for the Federal Information Security Management Act and Updated Guidance on Quarterly IT Security Reporting," by:

  - Reflecting the cost considerations used to calculate IT security costs as defined in section 53;

  - Demonstrating that the costs of security controls are understood and are explicitly incorporated in the life-cycle planning of the overall system, including the additional costs of employing standards and guidance more stringent than those issued by NIST;

  - Demonstrating how the agency ensures that risks are understood and continually assessed;

  - Demonstrating how the agency ensures that the security controls are commensurate with the risk and magnitude of harm;

  - Identifying additional security controls for systems that promote or permit public access, other externally accessible systems, and those that are interconnected with systems over which program officials have little or no control;

  - Demonstrating how the agency ensures the effective use of security controls and authentication tools to protect privacy for those systems that promote or permit public access; and

  - Demonstrating how the agency ensures that the handling of personal information is consistent with relevant Government-wide and agency policies.

- *Privacy.* Your estimates should reflect the Administration's commitment to privacy and should include a description of your privacy practices and steps taken to ensure compliance with all OMB privacy policies as set forth in OMB Memorandum No. M–03–22 and OMB Circular A–130, Appendix 1.

- *Improper Payments.* Your estimates should reflect anticipated reductions in improper payments as reported in the Performance and Accountability Report pursuant to the Improper Payments Information Act of 2002.

- *Financial systems.* Your estimates should reflect plans to achieve a single, agency-wide, integrated financial management system. The scope of agency financial systems activities will include the following:

  - Core financial systems, as described in A-127.

  - Financial and mixed systems critical to effective agency-wide financial management, financial reporting, or financial control.

  Sections 52 and 53 describe the materials that must be submitted for agency financial management systems.

31.10 User charges.

Under OMB Circular No. A–25, you must review user charges for your programs at least once every two years, and you must report the result of the review and any resultant proposals in the Chief Financial Officers Annual Report required by the Chief Financial Officers Act of 1990 (see section 8(e) of OMB Circular No. A–25). Develop your estimates in accordance with the full cost recovery policy for user charges set forth in that Circular. User charges normally should recover the full cost of providing goods or services to the public. The exception to this rule is when the Government provides goods or services under business-type conditions, including amounts collected for the use or sale of natural resources; in such cases, the user charge should be set at the market price.

There has been a growth in user charges, and some have been classified by law as offsetting collections or offsetting receipts when they more appropriately should have been classified as governmental receipts. Only user charges that arise from business-type transactions should be classified as offsetting collections or offsetting receipts. User charges are discussed further in section 20.7(g).

If you propose new user charges that require authorizing legislation, provide a clear explanation of the new user charge and the legislation that will be required to authorize it. Include a detailed discussion of plans for achieving enactment of the legislation and the administrative actions planned for collecting the charges if the legislation is enacted. Assess the proposal's chances of enactment and explain why the President should propose it in the Budget, taking into account the likely reaction to the proposal by the Congress and the users. Describe the basis for your assessment in detail.

SECTION 32—PERSONNEL COMPENSATION, BENEFITS, AND RELATED COSTS

Table of Contents

Summary of Changes

Updates guidance on estimating the budget year pay raise costs (section 32.1).

Adds guidance on the normal cost of retirement under FERS (section 32.3).

32.1 How should I estimate personnel compensation in my budget request?

Personnel compensation

(a) *Pay scales.* Unless instructed otherwise by OMB, agencies should use the provisional pay raise guidance percentage increase released in the economic assumptions for the previous budget, when estimating their next budget year pay raise. Your OMB representative will provide this information at the time of its release. The economic assumptions for the 2010 Budget, released in February 2009, indicated that, in preparing budget requests for the 2011 Budget, agencies should use 2.1 percent as their provisional estimate of the pay raise for January 2011. However, in making their final estimates for the 2011 Budget, agencies should anticipate revising pay raise amounts after the President makes a pay raise decision. (The economic assumptions for the 2011 Budget will include a provisional pay raise guidance percentage for the January 2012 pay raise.)

This assumed pay raise will apply to the statutory pay systems (General Schedule, Foreign Service, and Veterans Health Administration), the Executive Schedule, the Senior Executive Service (SES), and wage grade employees. The pay raises encompass both the national schedule adjustment and locality pay without assumption as to how the total increase will be distributed between the two. Use pay scales that reflect the most recent locality pay rates in preparing your estimates. You should be prepared to provide supporting detail on calculating pay costs, including separate identification of the pre-pay raise wage base reflected in the submission. For compensation costs, you must explicitly justify any increases in average compensation for the budget year, other than those due to changes in pay scales.

(b) *Hourly rates*. For all employees (as defined in 5 U.S.C. 5504(b)), use hourly rates of compensation determined by dividing the annual rate of basic pay by 2,087, in accordance with section 15203(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99–272).

(c) *Within-grade increases*. Additional resources for within-grade increases are normally not allowed. Offset the net cost, if any, of within-grade salary increases (i.e., costs after turnover, downgrades, and other grade or step reducing events are taken into account) by savings due to greater productivity and efficiency.

(d) *Vacancies*. For vacancies expected to be filled in the budget year, use the entrance salary for the vacancies involved.

(e) *Savings in personnel compensation*. Give full consideration to savings in personnel compensation due to personnel reductions, delay in filling vacant positions, leave without pay, lag in recruitment for new positions, filling vacancies at lower rates of pay, part-time employment, and grade reduction actions. Identify terminal leave payments, including those for SES, as offsets against such savings.

(f) *Positions above grade GS/GM–15*. Reflect these positions, including SES, only to the extent that positions have been authorized in those grades by OPM or other authority, or are specifically authorized in substantive law.

(g) *Awards*. Estimates should include amounts for all cash incentive awards. Upon request by OMB, be prepared to provide detailed information on your cash incentive awards program, including a narrative explanation of the basis on which your agency distributes awards and how that relates to its overall performance management program. Instructions for annual reporting of Senior Executive awards and pay adjustments are issued separately but be prepared to explain budget estimates upon request.

(h) *Executive selection and development programs*. Include in your estimates provisions for reasonable amounts for such programs, as required under Title IV of the Civil Service Reform Act of 1978 and by implementing guidelines issued by the Office of Personnel Management.

(i) *Premium pay and overtime*. Fully justify increases over amounts for the preceding year for premium pay. In preparing estimates for overtime, you should analyze the use of overtime to ensure that it is used in a prudent and efficient manner; explore all reasonable alternatives to overtime (such as improved scheduling); and ensure that adequate approval, monitoring, and audit procedures are in place to avoid overtime abuses.

(j) *Special rates for experts and consultants*. Reflect these positions and rates only to the extent that they are authorized per 5 U.S.C. 3109.

(k) *Severance pay*. Estimate severance pay at the amount needed for the fiscal year. However, obligations will be incurred on a pay-period by pay-period basis, notwithstanding the fact that a liability arises at the time of an employee's separation. Your estimates must include changes in severance pay and personnel compensation that would occur upon any reduction in force.

(l) *Physicians comparability allowance*. Reflect in your estimates approved plans to pay physician comparability allowance under 5 U.S.C. 5948. Instructions for reporting on the physicians’ comparability allowance program are issued separately.

(m) *Bonuses and allowances*. Reflect in your estimates approved agency plans for paying recruitment and relocation bonuses and retention allowances. You should be prepared to supply information on planned and actual expenditures upon request by OMB.

(n) *Retirement costs*. Reflect in your estimates the cost effects of changes in the distribution of employees between the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS).

32.2 How do I treat agency benefit payments under the Federal Employees’ Compensation Act?

For accounts subject to appropriations action, include in your budget year estimates the amount billed by the Employment Standards Administration of the Department of Labor for benefits paid on behalf of employees of your agency in the past year under the Federal Employees’ Compensation Act.

For accounts not subject to appropriations action, you must pay the bill in the current year.

32.3 How do I budget for the large retirement receipt accounts?

For the large retirement receipt accounts, including those managed by the Departments of Defense, State, Treasury, the Social Security Administration, and the Office of Personnel Management, reflect the effects of the increased agency contribution to employee retirement and of civilian and military pay raises using the pay raise assumptions specified for these accounts in the Mid-Session Review. You may need to adjust your estimates when final pay assumptions for the budget are released. This applies to:

- Governmental receipt accounts containing Federal employee contributions to Federal employee retirement.
- Offsetting receipt accounts (employer share, employee retirement) containing employing agency contributions to Federal employee retirement and Federal agency share of Social Security and Medicare payroll taxes.
- General fund contributions to Federal employee retirement.
- The Board of Actuaries of the Civil Service Retirement and Disability Fund has adopted a new set of economic assumptions for the Federal Employees Retirement System (FERS). Effective October 1, 2010 (FY 2011), the Normal Cost of Regular retirement under FERS will increase from the current level of 12.0% of pay to 12.3%. The Normal Cost is an actuarially determined percentage which represents the amount that must be saved each pay period over an employee's entire working career to fully finance, with interest, the cost of the employee's retirement. This 0.3% increase is applied to the employing agency contribution, which increases from 11.2% to 11.5% of pay. The employee contribution of 0.8% remains unchanged. This change is necessary to recognize that retirees are living longer, as reflected in improvements to mortality rates. For special FERS retirement populations (including Law Enforcement Officers, Air Traffic Controllers, and others) agencies should refer to the table below for the changes to contribution rates. The percentage for employing agency and employee contributions in the other large retirement system managed by OPM, the Civil Service Retirement System (CSRS), is set in law (at 7% each for most employees) and is not changing.

FERS group	Current Normal Cost	New Normal Cost (FY 2011)	Employee Contribution	New Employing Agency Contribution (FY 2011)
Regular	12.0%	12.3%	0.8%	11.5%
Law Enforcement	26.2%	26.7%	1.3%	25.4%
Air Traffic Controller	25.8%	26.4%	1.3%	25.1%
Military Reserve Technicians	14.8%	15.1%	0.8%	14.3%
CIA Special Overseas *	17.0%	17.5%	1.3%	16.2%

FERS group	Current Normal Cost	New Normal Cost (FY 2011)	Employee Contribution	New Employing Agency Contribution (FY 2011)
Members of Congress**	18.6%	19.1%	1.3%	17.8%
Congressional Staff**	17.1%	17.5%	1.3%	16.2%

* Employees under section 303 of the CIA Act of 1964 for certain employees (when serving abroad).
**For information only.

32.4 How do I budget for unemployment compensation?

In general, you should not budget for the costs of unemployment compensation for former Federal civilian and military personnel. The congressional intent is that such unemployment compensation be paid from appropriations available to the employing agencies. The liable agencies must absorb these reimbursements when they are required to be paid.

If you do not employ large numbers of temporary employees or other personnel expected to lead to significant unemployment compensation claims, your estimates for the current and budget year will not contain any special provisions for the costs of reimbursing the unemployment trust fund for such payments.

If you employ large numbers of temporary employees to meet part-year workload, you may request approval from OMB to budget for unemployment compensation costs for your temporary employees. OMB will consider such requests if you can demonstrate that you have a sound administrative control system for unemployment compensation claims.

32.5 How do I budget for Uniformed Services health care?

- *For Uniformed Services post-retirement medical care.* Post retirement medical care for "Medicare-eligible" retirees and their dependents/survivors was funded on an accrual basis beginning in FY 2003. Budget estimates must assume inclusion of all Medicare-eligible retirees and families. Agencies must calculate the following estimates for their budget submission:

  - Accrual contribution to the Uniformed Services Health Accrual Trust Fund (see below).
  - Estimate of the health care dollars to be expended for all retirees.

- *Accrual contribution to the Uniformed Services Health Accrual Trust Fund.* To develop appropriate annual accrual contribution estimates, agencies must use the per-capita rates set by the Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries. Every summer, the Board sends a letter to the agencies promulgating the annual per-capita rates. Agencies must multiply these rates by the estimated average number of current uniformed service personnel. The resulting calculation is the accrual contribution, which should be budgeted in the agency's personnel account. Please see the link to the Board's letter on the following OMB webpage located under the Section 32 link:

  http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc/

- *Estimate of the health care dollars to be expended for all retirees.* Agencies must estimate expenditures for retiree health care. (Separate estimates must be provided for Medicare-eligible retirees and non Medicare-eligible retirees). The Medicare-eligible estimates are needed to develop the Trust Fund outlays for uniformed service health care and the non-Medicare eligible estimates to be included in agency budgets. To prevent double counting Medicare-eligibles, each agency must ensure that their health care account request does not include any amount for Medicare-eligible retiree health care other than the accrual contribution amounts.

32.6 Are there other places in A–11 where I can find related guidance?

Yes. Please see the table below for additional guidance on Federal employment.

Other Federal employment guidance and A–11 links	Section
When do I record obligations for Federal employment?	20.5(b)
Should my budget submission reflect Federal pay raises in my estimates?	32.1
How is civilian and military pay coded in my baseline (schedule S)?	81.2
What object class codes are used for Federal employee compensation?	83.7
What object classes designate civilian and military pay in the baseline?	83.8
How are FTEs computed?	85.5
How do I complete the employment summary (MAX schedule Q)?	85.6
What employment plans should my agency make prior to a funding hiatus?	124.2
Should my agency furlough employees during a hiatus in appropriations?	124.3

SECTION 33—ESTIMATES RELATED TO SPECIFIC TYPES OF PROGRAMS AND EXPENDITURES

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33.1 Construction, leases of capital assets, and acquisition of real property.

Agencies are required to submit certain types of leases and other unique, non-routine financing proposals to OMB for review of the scoring impact. See Appendix B for specific requirements.

(a) *Construction of Federal facilities.*

If you are proposing construction of Federal facilities, you must:

- Comply with Executive Order No. 12088 for pollution control standards;

- Include the amounts required to ensure that existing facilities provide safe and healthful workplaces for Federal employees consistent with the standards promulgated under section 19 of the Occupational Safety and Health Act of 1970, the provisions of Executive Order No. 12196, and the related Safety and Health Provisions for Federal Employees of the Secretary of Labor (29 CFR, Chapter XVII, Part 1960);

- Comply with requirements of the Architectural Barriers Act of 1968 to eliminate structural barriers impeding the mobility of individuals with disabilities;

- Have reviewed the GSA inventory of Federal laboratories and indicate the reasons you want to acquire new space instead of using existing laboratories that have sufficient space available, according to the GSA inventory; and

- Comply with Executive Order Nos. 11988 and 11990 if you are proposing to use sites located in floodplains or wetlands.

(b) *Construction of federally-owned housing.*

If you are proposing to construct federally-owned housing, make sure you:

- Do not include estimated funding for construction of housing for civilian employees, except where necessary to maintain continuity and efficiency of service and where private capital cannot be found; and

- Meet the requirements in OMB Circular No. A–45 for service or protection, or lack of available housing.

(c) *Construction in the District of Columbia.*

You must consult the Commission of Fine Arts regarding plans for the construction of buildings and other structures in the District of Columbia that may affect in any important way the appearance of the city, and other questions involving artistic considerations with which the Federal Government is concerned.

(d) *Acquisition of land in the National Capital Area.*

You must consult with the National Capital Planning Commission in advance regarding proposed developments and projects or commitments for the acquisition of land in the National Capital area, in accordance with 40 U.S.C. 8723(a) (see http://www.ncpc.gov).

(e) *Leasing capital assets.*

If you propose to lease capital assets rather than purchase them, you should check the requirements in OMB Circular No. A–94. For additional information, see Appendix B.

(f) *Real property acquisition.*

If you plan to acquire real property, you must:

- Include estimates consistent with the policies of Executive Order No. 13327 in your budget submission, and

- Make sure that estimates for acquisition of real property under contract are consistent with obligations reported in object class 32 (see section 83.7).

33.2 Hospital costs.

If you are developing estimates for hospital costs:

- Use data based on the use of resources allocated by diagnosis-related groups and compare these data with payment rates of other payers using similar groupings;

- Indicate whether or not capital and depreciation costs are contained, and describe the cost allocation method underlying the data; and

- Identify the amount of reimbursement collected from third parties and Federal agencies if you provide hospital care on a reimbursable basis.

If you provide estimates for inpatient care facilities and medical care services, make sure they are consistent with Executive Order No. 12372.

33.3 Advisory committees and interagency groups.

If you have advisory committees and interagency groups:

- Reflect the results of the committee reviews required by Executive Order No. 12838, which requires agencies to reduce the number and cost of non-statutory advisory committees;
- Use the ceilings established by OMB Circular No. A–135; and
- Separately identify the costs of advisory committees established by statute that you are proposing for termination.

You are prohibited from financing interagency groups (including boards (except Federal Executive Boards), commissions, councils, committees, and similar groups) by contributions from member agencies' appropriations by a Government-wide general provision unless such financing is specifically authorized by statute. Therefore, you must propose financing for such groups in the budget in one of the following forms:

- Appropriations specifically for the interagency group.
- Specific language authorizing interagency funding.

33.4 Radio spectrum-dependent communications-electronics systems.

Consistent with the Executive Memorandum issued by the President on November 30, 2004, agencies should consider the economic value of radio spectrum used in major telecommunication, broadcast, radar, and similar systems when developing economic and budget justifications for procurement of these systems. The extent of economic and budget analysis required will depend upon the nature and value of the systems and spectrum involved, and agencies should work with their OMB contacts to ensure a proper level of analysis is conducted.

Spectrum should generally not be considered a free resource, but rather should be considered to have value and be included, to the extent practical, in economic analyses of alternative systems. In some cases greater investments in systems would reduce spectrum needs (e.g., purchase of radios that use less bandwidth than less expensive models); in other cases the desired service can be met with other forms of supply (e.g., private wireless services or use of land lines). In addition to considering cost minimizing strategies, agencies are encouraged to consider whether the investment would provide net benefits.

Spectrum valuations may be estimated based on recent prices of similar bands in spectrum auctions, or through other estimation methods.[1] The Commerce Department's National Telecommunications and Information Administration (NTIA), which is responsible for allocating spectrum across Federal users, may also review these analyses in making spectrum assignments.

Spectrum certification. You must obtain a certification by the NTIA, Department of Commerce that the radio frequency required can be made available before you submit estimates for the development or

[1] Sensitivity analysis—showing the costs of choosing an alternative that requires less (or more) spectrum—may also provide useful information. For example, a sensitivity analysis might indicate that one option costs $10 million more, but uses 5 MHz less bandwidth, nationwide, in the 900 MHz range. Even with "conservative" estimated values, the 5 MHz in spectrum savings would likely be worth an additional $10 million in investment, as it conserves spectrum.

procurement of major radio spectrum-dependent communication-electronics systems (including all systems employing space satellite techniques).

33.5 Spectrum Relocation Fund.

Relocation or modification of systems subject to Commercial Spectrum Enhancement Act. For agencies that are affected by the reallocation of certain frequencies from Federal to private sector use, the Commercial Spectrum Enhancement Act (CSEA, P.L. 108–494) streamlines the process for funding the relocation or modification of systems. Auction receipts from the sale of eligible frequencies (defined in P.L. 108–494 as: a) the 216–220 megahertz (MHz) band, the 1432–1435 MHz band, the 1710–1755 MHz band, and the 2385–2390 MHz band; and b) certain other frequencies reallocated from Federal use to non-Federal use after January 1, 2003) will be deposited into the Spectrum Relocation Fund, and these funds will be used to facilitate Federal agencies' relocation.

The Federal Communications Commission (FCC) concluded an auction in September 2006 for licenses in the 1710–1755 MHz band, and agencies' relocation cost estimates were submitted to the Congress in February 2007. Initial transfers of approved amounts were made in March 2007 for agencies to commence relocation activities. Spectrum relocation funds have no-year authority, though agencies are expected to adhere to the timeframes approved by OMB, as indicated in the February 2007 Congressional notification. In accordance with section 120, these funds must be apportioned at least annually prior to obligation, unless specifically exempted. Agencies that receive funds from the Spectrum Relocation Fund will report their expenditures to OMB, concurrent with input into an annual report to the Congress to be submitted by the National Telecommunications and Information Administration (NTIA) of the Department of Commerce. Further guidance will be forthcoming on reporting requirements.

If potential cost over-runs or delays become apparent in any spectrum relocation project, OMB and NTIA should be notified in order to facilitate further review. Under the terms of the CSEA, agencies may receive more than one transfer from the Spectrum Relocation Fund, subject to prior review and approval by OMB, in consultation with NTIA. If the subsequent transfer or transfers exceed 10 percent of the original transfer, OMB will notify Congress and the Government Accountability Office, in accordance with the requirements of the CSEA. If transferred amounts exceed actual relocation costs, excess amounts will be returned to the Spectrum Relocation Fund immediately after NTIA has notified the FCC that the agency's relocation is complete.

As pertains to the remaining frequency bands to which the CSEA applies, the FCC will notify NTIA no later than 18 months prior to the auction of eligible frequencies. Upon such notification, CSEA relocation processes will commence consistent with the Act, as with the implementation of the 1710–1755 MHz band.

33.6 Taxes and tax expenditures.

Reflect full and explicit consideration of the resources made available by the Federal Government through tax expenditures and other tax incentives. ***Tax expenditures*** are attributable to provisions of the Federal income tax laws that allow a special exclusion, exemption, or deduction from gross income or that provide a special credit, rate of tax, or deferral of tax (2 U.S.C. 622). Tax expenditures include subsidies provided through the income tax system.

You must consult with the Office of Tax Analysis, Department of the Treasury on all proposals for new taxes or modifications of existing taxes whether or not the modification results in a tax expenditure. After consulting with the Office of Tax Analysis submit a justification of the proposal to OMB. The justification should include the views of the Office of Tax Analysis and address the following items:

- The nature and extent of the problem addressed by the proposal.

- The reason a subsidy is needed.
- The non-tax alternatives.
- The reason a tax change is preferable to the non-tax alternatives.

In addition, you should be prepared to submit justifications for continuing or reenacting existing taxes and tax expenditures in the program areas for which you have primary responsibility. Such justifications will contain the information described above.

In general, tax expenditures are subject to the same degree of performance evaluation as spending and regulatory programs. Tax expenditures often complement or substitute for agencies' spending or regulatory programs, and the resources and incentives provided through tax expenditures can be substantial. Work with the Office of Tax Analysis, which has lead responsibility for tax policy and analysis of tax expenditures, to develop data and methods to evaluate the effects of tax expenditures that affect (or are directed at the same goals as) your programs. You should be prepared to furnish, upon request, problem analyses, estimates of economic effects, and other materials that will provide explicit quantitative information on the relationship of existing or proposed tax expenditures to proposed budget expenditures. See Part 6 for guidance on inclusion of tax expenditure data in annual performance plans.

33.7 Miscellaneous policies and requirements.

Develop your budget estimates consistent with the following laws, rules, and policies:

MISCELLANEOUS REQUIREMENTS

Type of program or expenditure	Policies and requirements
Activities covered by the Coastal Barrier Resources Act	Do not include any new Federal expenditures or financial assistance prohibited by the Coastal Barrier Resources Act (Public Law 97–348).
Foreign currencies	Refer to guidelines in the Treasury Financial Manual (Vol. 1, Part 2, chapter 3200 and Vol. 1, Part 4, chapter 9000) and the Department of State Foreign Affairs Manual (Volume 4, chapter 360).
Remedial environmental projects at Federal facilities	Follow the policies in Executive Order No. 12088.
Mail	Include sufficient amounts for official use of United States mail, package delivery, and/or private carrier service, including postage due. Assume maximum use of available postage discounts.
Records storage	Include sufficient amounts for the costs of storing and servicing temporary and inactive records.
Space and related requirements	Include payments for space, structures and facilities, land, and building service provided by GSA and others.
Systems acquisitions	Follow the guidance in the Capital Programming Guide, Title V of the Federal Acquisition Streamlining Act of 1994, and the Clinger Cohen Act of 1996. Ensure that electronic and information technology acquisitions meet the requirements of section 508 of the Rehabilitation Act of 1973 and allow individuals with disabilities access to and use of data.
Travel	Minimize official travel. Reflect the allowances authorized under the Federal Travel Regulations issued

Type of program or expenditure	Policies and requirements
	by GSA or comparable regulations issued by the Department of Defense for travel of military personnel and by the Department of State for foreign service personnel.
Tort claims	Do not include amounts for payment of tort claims unless a substantial volume of claims is presented regularly.
Water and sewer payments to the District of Columbia	Include amounts for payment for water and sewer services.
Construction of nuclear reactors	Obtain a letter from the Department of Energy setting forth its recommendations before submitting estimates.
Contractor claims	Include amounts for reimbursement of the Claims and judgment fund for the full amount paid from the fund on behalf of the agency during the past year.
Subsidies for Medicare Part D eligible individuals for qualified prescription drug coverage	Do not assume that agency prescription drug costs for the agency's retirees and/or dependents will be reduced by the Part D program. Federal entities will not receive subsidies for Part D eligible individuals for qualified prescription drug coverage through the Retiree Drug Subsidy (RDS) and Federal entities will not administer—or have a third party administer—a Prescription Drug Plan or Medicare Advantage Prescription Drug Plan for their retirees and/or their dependents. Administration policy is that Federal Government entities should not receive the Medicare Part D drug subsidies because this would result in the Medicare Trust Fund cross-subsidizing other Federal programs. The primary rationale for creating the Part D RDS was to encourage employers and unions to continue to provide prescription drug coverage to their Medicare eligible retirees and their qualified dependents after the implementation of the Part D Program. These subsidies are not needed for Federal Government entities because the Federal Government intends to continue providing prescription drug coverage for its retirees and their qualified dependents.

SECTION 51—BASIC JUSTIFICATION MATERIALS

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Summary of Changes

Highlights budget justification guidance provided in OMB Memorandum M-09-20 (section 51.1).

Updates for new requirements in the Inspector General Reform Act of 2008 (section 51.15).

51.1 General requirements

Section II of OMB Memorandum M-09–20, Planning for the President's Fiscal Year 2011 Budget and Performance Plans, provides specific guidance on items you should include in your budget request. Also see section IV of that memorandum for required information about your agency's action plan to improve workplace measures and the inventory of current wellness activities. Other sections in this Circular that address budget justification materials include sections 25 through 54.

Your justification should begin with a summary statement from the head of your agency and include:

- The broad policies and strategies proposed and the total amounts of discretionary and mandatory budgetary resources requested.
- The relationship of the policies, strategies, and resources requested to the planning guidance for budgetary resources provided by OMB.
- Significant proposed differences, if any, from current Administration policies.
- The most important program performance indicators and performance goals, including those that indicate positive and negative results that are the basis for the major proposed policies.
- Any significant proposals for changes in the current year budget and the relationship of such changes to the budget year and outyear requests.

- Any significant proposals or changes in spending patterns for the five- to ten-year period beyond the budget year and their relationship to outyear planning guidance and the policies proposed for the current and budget year.

- If you determine that your agency needs additional funding for individual programs in excess of the budget year guidance levels to meet the President's priorities, you are welcome to submit a separate submission that proposes and justifies the additional funding. This separate submission should also identify potential discretionary offsets in lower priority programs within your agency's budget.

- Significant changes in full-time equivalent (FTE) employment. Provide justification for changes in relationship to projected workload, strategic planning initiatives, and reengineering efforts.

51.2 Requirements for program justification

You must provide a written justification when you submit your budget. You should determine specific informational requirements and timing of submissions in consultation with your OMB representative.

Budget submissions to OMB should be in the form of a performance budget to the greatest extent possible. Section 220 provides detailed instruction on developing and submitting a performance budget.

Where possible, you should include the full cost of a program, and you should align budget accounts and program activity lines with programs or the components of the programs that contribute to a single strategic goal or objective.

Your request should be consistent with the funding levels included in policy guidance. If the request is not consistent with policy guidance, you must provide a summary of what your budget request would be at the policy guidance levels and the reasons why a budget request consistent with the guidance is not appropriate. In addition, you may be asked by your OMB representative to identify and discuss the implications of other funding levels.

Prepare your justification in concise, specific terms and cover all programs and activities of your agency. Use tables, charts, and graphs in lieu of or to supplement text. Prepare materials in a manner designed to provide all of the information that you and OMB have agreed is necessary for OMB to understand and evaluate your agency's request and make its determinations.

If you have funding requests for major capital asset acquisitions, follow the guidance in Part 7 (section 300) of this Circular. Additional guidance appears in the Capital Programming Guide,

At the discretion of OMB, you should include the following information for legislative proposals:

- Your estimates of the costs of implementing or administering proposed legislation.

- The assumptions underlying your estimates, including new work years, program outputs, and costs of inputs such as materials, contract costs or personnel costs. You should also include a discussion of alternative implementation strategies considered (e.g., contracting out versus in-house), and a discussion of any models used to develop your estimates.

- The budget classification (mandatory or discretionary) of the costs of implementing and administering the legislative proposal along with a written justification for your selection.

- Productivity savings and/or offsets for these costs. You should also provide a discussion of the methods and assumptions underlying your estimates for productivity savings and offsets.

You should also include the following:

- A comparison of total program benefits and total program costs, using quantitative, objective data to the maximum extent possible, as well as qualitative or judgmental material.

- A comparison of the marginal benefits and the marginal costs associated with the additional funds or reduced funding proposed.

- Supporting information that takes into consideration agency and outside (e.g., think tanks, GAO, CBO, universities, interest groups) program evaluations and related analytic studies, whether or not they agree with the proposed policy.

At the discretion of your OMB representative, these requirements may be modified or alternative justification materials specified. It should be emphasized that late decisions on proposed law provisions for the budget will require flexibility in this process. Other materials may be requested by your OMB representative.

51.3 Analysis of resources

Use a tabular presentation to identify the financial and personnel resources required at the program levels under consideration. Include also a breakout of resources (financial, and if available, personnel) within each program level for all IT expenditures, and for all expenditures on major IT investments (those for which exhibit 300 is required). The tabular presentation should identify IT investments within the program and include the program name, IT investment title, unique project identifier (UPI) as used in Exhibit 53 and Exhibit 300, and IT budget (PY, CY, and BY). The IT budget should reflect the resources associated with the actual program dollars going to this IT investment. For the definitions of IT investment title and UPI refer to section 53.8.

All justifications should clearly show in text and tables the IT investment request within each account and program activity level. To the extent possible, you should attempt to align your budget accounts with programs, distinguishing among components that contribute to different strategic goals or objectives. This should relate program assessments (see section 220) and budget accounts or sub-accounts.

In addition, you should include the full cost of a program where possible. In some cases, you may want to consider requesting budgetary resources to cover all indirect costs in the budget account or program activity that funds the program, and paying for all central services as they are used. In other cases, you may want to request appropriations for some central accounts providing support services; in these cases, you should include a table showing the full cost of resources used by each program, whether paid from its budget account or not.

Present resources required for PY and CY, as well as the estimated requirements for each funding option for BY through BY+9, where applicable. If CY cancellations or supplementals are pending or proposed, identify these separately. A subsidiary breakdown of such items as personnel compensation, capital outlay, or other categories of special concern would be useful.

Generally, present financial data in terms of new budget authority and outlays. However, your OMB representative may require additional measures, such as unobligated balances and offsetting collections.

Describe budgetary resources requests in the context of your management plan for the programs and activities. Describe resources requested for IT investments in the context of your program requirements. For IT expenditures proposed, demonstrate that all opportunities for coordination with Administration goals and eliminating redundant activities have been explored. Explain the analysis used to determine the resources needed to accomplish program and Administration goals, and demonstrate that all opportunities for making more efficient and effective use of resources have been explored.

51.4 Relationship of justification to account structure

To the extent possible, you should attempt to align your budget accounts with programs, distinguishing among components that contribute to different strategic goals or objectives. Where the major programs in your justification materials do not coincide with the budget account structure, prepare a table to show the relationship. Arrange this table by program, with all relevant accounts and parts of accounts listed, showing budgetary resources (usually budget authority) in millions of dollars and FTE. Include breakouts of financial resources within each account activity line for total IT expenditures. Report programs that are mainly grants, contracts or other transfers of funds to entities other than your agency, related salaries and expense accounts and parts of accounts, including allocations of overhead amounts. Where it is helpful to explain the coverage of the table or the relationship among accounts, prepare a short narrative to accompany the table. This requirement only applies to major programs and activities. You should consult your OMB representative to ensure that you provide tables for appropriate activities and that you avoid unnecessary paperwork.

51.5 Agency restructuring or work process redesign

You should identify restructuring or process reengineering activities resulting from proposed and current investments in information technology and other areas that yield budgetary savings. Indicate how these activities allow your agency to utilize existing resources better while improving program management and service delivery.

51.6 Information on grant programs and infrastructure investment

Include copies of systematic economic analyses of expected benefits and costs completed in accordance with Executive Order 12893. OMB Bulletin No. 94–16 provides additional guidance on this Executive Order, including a listing of the accounts covered by the Order.

51.7 Performance indicators and performance goals

The performance budget submission for this year's budget will serve as the performance plan required by the Government Performance and Results Act (see, 31 U.S.C. § 1115). Therefore, you need not submit a separate performance plan to comply with GPRA. Your submission should cover all of your agency's programs. Performance measures and data included in the performance budget submission should be consistent with those used in program assessments.

You should provide integrated budget and performance information for the listed outcomes and outputs in sufficient detail to allow OMB to pass back both budget and performance levels. In addition, you may include in your budget justification additional relevant performance information to explain major program issues or resource requirements.

Your submission should consider all statutory requirements of the "annual performance plan" required by GPRA. Section 220 contains more detailed information on performance plans.

Your submission should include descriptions of the means and strategies, including resources, processes, and technologies, to be used in achieving the performance goals. In many instances, these means and strategies are considered to be inputs. A well-conceived and thoughtful description of the means and strategies to be employed will help bolster confidence that there is an understanding of what is needed to achieve a certain performance level and good likelihood that the goal will be achieved.

The "means" include:

- Operational processes, such as changes in work methods or sequencing, workforce adjustments, and shifts in responsibility for particular tasks;

- Staff skills, and the development, introduction, and use of technologies; and

- Human resources, capital assets, information technology, and other resources.

The descriptions of these means should be brief, focusing on the resources, processes, and technologies reflected in the budget request, with more detailed elaboration provided when a significant change (increase or decrease) from the previous year's levels or operating modes is proposed.

The strategies an agency intends to apply in achieving particular performance goals should also be highlighted. These strategies include program, policy, management, regulatory, and legislative initiatives and approaches and should be consistent with your agency’s program improvement plans.

Agencies should note the increasing emphasis on the use of workforce planning and other specific strategies that align human resources with the fulfillment of an agency's mission and objectives and the need to secure a diverse Federal workforce that is skilled, flexible, and performance-oriented with a customer focus.

The descriptions need not be confined to initiatives or changes that are newly funded in the fiscal year. Initiatives or investments started in prior years, but which become operational or will be completed during the fiscal year, can be included. Some changes can carryover and affect performance in future years as well.

For the budget year, confirm the continuing use of program performance indicators used in any previous years' financial statements, and identify any new indicators you plan to use in these statements. In addition, you should include in your budget submission to OMB and the Congress the prospective portions of the annual performance report that will not be included in the Performance and Accountability Report:

- Evaluations of the performance plan for the current year;

- Revised schedules for achieving performance goals; and

- If the performance goal is impractical or infeasible, why that is the case and what action is recommended.

51.8 Other analytical information

Additional information may be required in budget justifications on the following:

- Workload analyses;

- Unit costs;
- Productivity trends; and
- Impact of capital investment proposals on productivity.

Use productivity measurement, unit costs, and organizational performance standards to the maximum extent possible in justifying staffing and other requirements.

Include as a specific element in productivity improvement for activities of Federal staff the gains planned or being realized from streamlining, including reduction of unnecessary overhead, creative use of technology, and elimination of low priority tasks and programs.

You should also be prepared to provide information on the basis for distributing funds (e.g., formulas or principles for allocation, matching, policies regarding the awarding of loans, grants or contracts, etc.) and data on resulting geographic distribution (e.g., by State, etc.), with identification of any issues.

51.9 Information on program evaluation

Program evaluation is an important aspect of program planning and monitoring, assessing program results, and determining future funding levels. It is essential in determining whether agencies have achieved long-range performance goals. For additional information on program evaluations, see Questions 2.6 and 4.5 in the PART guidance, at:

http://www.whitehouse.gov/omb/part/fy2008/part_guid_2008.pdf and
http://www.whitehouse.gov/omb/part/2004_program_eval.pdf

51.10 Explanations relating to supplemental appropriations requests

If you request a supplemental, explain why the request was not included in the regular estimates for the period concerned and the reasons why it is considered essential that the additional appropriation be granted during the year. Submit proposals for offsets to be made elsewhere in your agency for both mandatory and discretionary resources and indicate related FTE savings or requirements and appropriate financing changes. Show the effect of requested supplementals in the appropriate portions of the justification material for the program elements affected.

51.11 Major changes in receipts estimates

Provide narrative explanations for major changes from one fiscal year to the next in the amounts of receipts reported for any account, trends in receipt estimates for the related programs, and any other unusual circumstances relating to the estimates.

Advise OMB of increases in amounts reported to the Treasury Department accounts 1435.00 (General fund proprietary interest receipts, not otherwise classified) and 3220.00 (All other general fund proprietary receipts) when you expect that the amounts collected from a single source will exceed $10 million in any year or when legislation is proposed that will affect any receipts reported to those accounts.

Make your explanations of legislative proposals consistent with your legislative program and outyear policy estimates. Cover the expected timing of enactment and the annual level of receipts anticipated.

51.12 Historically Black Colleges and Universities

As required by Executive Order 13256, which sets in place the White House Initiative on Historically Black Colleges and Universities (HBCUs), affected agencies and executive departments must produce an annual plan that establishes clear goals for how the agency or department intends to increase the capacity of HBCUs to effectively compete for grants and contracts and to encourage HBCUs to participate in Federal programs. Your submission is required to include the goal(s) identified in your annual plan.

51.13 Unobligated balances in liquidating accounts

You must submit information justifying any unobligated balances you expect to carry forward into the current year (see section 185.3(k)).

51.14 Direct loan and loan guarantee programs

Proposed changes to technical assumptions must be included with justification materials for all credit programs unless another date is agreed upon by OMB. Required materials include any proposed changes to technical assumptions, methodology, or source data underlying the credit subsidy cost estimate cash flows, and justification for such changes. Consult with your OMB representative regarding other requirements for direct loan and loan guarantee programs, including policy proposals for new or existing programs (see section 185).

51.15 Information on funding for Inspectors General

If your agency is covered by the Inspector General Act of 1978, as amended (U.S.C. App.), your justification materials should include information under the Inspector General Reform Act of 2008 (Pub. L. No. 110-409):

- An aggregate request for the Office of Inspector General;
- Amounts for OIG training;
- Amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and
- Any comments of the affected Inspector General with respect to the proposal.

SECTION 52—INFORMATION ON FINANCIAL MANAGEMENT

Table of Contents

Summary of Changes

Aligns guidance for reporting information on Exhibit 52 with the instructions used in January, 2009 to collect financial management resource data.

52.1 What are the general reporting requirements?

Agencies are required to provide two reports on financial management:

- All agencies should prepare financial management systems initiatives and plans as described further in section 52.4 and OMB Circular A–127. This information should be summarized in each agency's annual Performance and Accountability Report (PAR) or Agency Financial Report (AFR), if it publishes one; and

- Agencies covered by the Chief Financial Officers (CFO) Act of 1990 are to provide an annual resource allocation report on financial management activities (exhibit 52) as described in sections 52.5–52.7.

52.2 What policies are addressed by these reports?

For the 24 agencies covered by the Chief Financial Officers (CFO) Act of 1990, the materials required in this section address the following requirements:

- OMB Circular A–127, Financial Management Systems: Requires each agency to prepare and maintain financial management system plans.

- The Federal Financial Management Improvement Act of 1996 (FFMIA): Requires each agency head to determine substantial compliance with the Act. When the agency head determines that the agency's financial management systems do not comply with FFMIA, the Act requires the agency to submit a remediation plan to bring the agency's financial management systems into substantial compliance with FFMIA. Guidance in this section outlines the information that must be provided regarding the remediation plan.

- CFO Act: Requires each agency CFO to prepare a financial management plan.

52.3 Who must report?

CFO Act agencies. All CFO Act agencies must report as prescribed in sections 52.4–52.7. The CFO Act assigns to the CFO the responsibility for preparing and revising the agency's financial management plans and developing the agency's financial management budget. Additionally, the information is used in reviewing the budget submissions of agencies.

Non-CFO Act agencies. Non-CFO Act agencies must report as prescribed in section 52.4; however do not report materials described in sections 52.5–52.7. Non-CFO Act agencies must include in their budget submission a brief summary of their financial management plans to ensure sound financial management practices. An agency should include this information in its PAR, if it publishes one.

52.4 What is the report on financial management systems?

The following information, derived from more specific plans held by the agency, should be synopsized in each agency's annual PAR or AFR (PARs and AFRs are discussed in OMB Circular A–136 and financial systems are addressed in OMB Circular A–127). If any of the information requested in this section is also required by OMB Circular A–136 or A–127, agencies should streamline responses to avoid duplication of effort.

A discussion of an agency's financial management strategy should unite into a coherent purposeful theme all aspects of financial and budget management, including material weaknesses, information systems, and performance measurement. This description should align with the agency's mission and programs, address the President's Management Agenda, and include, at a minimum:

Goals and the supporting financial system strategies

- Briefly discuss the agency's financial management systems strategy and how it will achieve the goals of improving financial and budget management agency-wide. Include information on the status of financial management activities and systems (see below) to provide a context for the agency's plans and resources request.

Financial management systems framework

- Present an overview of the agency's current and future financial management systems framework that includes the future migration to a Shared Service Provider (SSP), and describe financial management systems critical to effective agency-wide financial management, financial reporting, or financial control.

- Include in the overview a synopsis of critical projects currently underway, or planned to achieve the target framework. Identify FFMIA remediation activities planned and underway, describing target dates and offices responsible for bringing systems into substantial compliance with FFMIA.

- Compile an inventory of baseline financial management and mixed systems, including an assessment of major problems. (The Financial Management Systems Inventory (FMSI) information will be submitted by agencies separately to OMB via GSA. Guidance and instructions for the systems inventory update is provided annually using a separate memorandum that is distributed to Deputy CFOs.)

52.5 What is the report on resources for financial management activities (exhibit 52)?

Exhibit 52 captures information on obligations for financial management activities; specifically, resource levels for functions overseen by the CFO, including budget formulation and execution, regardless of whether these two budget activities are under the purview of the CFO. It also collects the full-time equivalent (FTE) employment data and contractor information for the same activities. For each category, agencies will report their prior year (PY) obligations, (2009). This information is used for agency oversight, and budget review.

Agencies should explain in footnotes to the exhibit, any significant line item changes between the PY amounts and the exhibit 52 submission during the previous year. A significant change is defined as any increase that exceeds the percent increase determined by OMB guidance for the agency as a whole. Agencies being serviced by a financial management shared service provider (SSP) need to identify their provider in a footnote to the exhibit. Non-financial management SSPs do not need to be footnoted in the report.

52.6 What are the resource descriptions for exhibit 52?

Report obligations for the prior year, in millions of dollars and FTE employment data for the categories described below. Information should represent the agency's salaries, contracts, or other major expenses; it excludes systems expenditures to be reported on exhibit 53. Allocation of overhead expenses is not required. A footnote should indicate if overhead allocation has been included in the costs; and if so, a brief description of what consists of the overhead expenses.

REPORT ON RESOURCES FOR FINANCIAL MANAGEMENT ACTIVITIES

Category	Description
Agency contact	Include a point of contact for the information provided by the CFO organization of the agency.
Contact information	Include email and telephone number of agency contact.
Accounts Payable	Activities that lead up to disbursing payments due to the public, such as recording obligations, receiving and accepting goods and services, and establishing payables. (Exclude travel obligation activities.)
Accounts Receivable	Activities associated with establishing and collecting amounts due from the public for performance of services, delivery of goods sold, the passage of time (e.g., interest earned), overpayments, or other actions by the agency.
Disbursement	Activities associated with making payments that were warehoused, recording payments made by other systems, and transmitting payment files in the formats required by Treasury for the initiation of EFTs and check payments. It also includes payment activities of agencies that have delegated disbursing authority to print checks or to initiate electronic transfers. (Exclude travel payment activities.)
General ledger	Activities related to performing analysis, reconciling transactions posted, and recording adjustments to the general ledger.
Intra-governmental	Activities associated with identifying and posting entries that resulted from exchange and non-exchange transactions between Federal entities, e.g., reimbursable, fiduciary, transfers, and borrowing authorities.

Category	Description
Travel	Activities associated with establishing travel obligations, advances, and payments.
Financial Reporting	Activities associated with generating internal and external reports such as financial statements, trial balance, 133, 224, 1219/1220, fund status, transaction history, and ad hoc queries.
Accounting Policy	Activities associated with drafting and issuing financial management policies.
Internal Control	Activities associated with monitoring and improving internal control and reporting annual assessment of internal control as required by FMFIA.
Audit Support	Activities associated with supporting the annual financial statement audit, e.g., audit liaison.
Financial Systems	Activities associated with supporting the core financial system and other financial management systems maintained by OCFO.
Budget Formulation	Activities associated with determining priorities for future spending and to develop an itemized forecast of future funding and expenditures during a targeted period of time. This includes the collection and use of performance information to assess the effectiveness of programs and develop budget priorities.
Budget Execution	Activities pertaining to the legal and managerial uses of budgetary resources to achieve results that comply with the enacted budget and Administration policy. Budget execution activities include but are not limited to: apportionments, allotments, commitments, reprogramming actions, incurring obligations, and funds control.
OIG Financial Statements Audit	Activities associated with the annual financial statement audit by Inspector General staff and contractors.
Cost Accounting / Performance Management	Activities associated with accumulating, recognizing, and distributing organization and program costs for management information purposes. Include activities associated with Budget and Performance integration.
Grants management	Activities, directly under the CFO, relating to grants management functions.
Other	All activities directly under the CFO previously not defined, e.g. payroll, procurement, or loan activities.
No. of FTEs	Number of government employee FTEs supporting the activities described in each category. If an employee has performed a number of activities that would fall under more than one category, then report the employee's service under the category that the person had spent the most time. FTE should include Federal employees that are foreign nationals and working in locations outside the United States.
No. of Contractors	Number of contractors supporting the activities described in each category. If a contractor has performed a number of activities that would fall under more than one category, then report the contractor's service under the category that the person had spent the most time.
Cost of Contractors ($ in millions)	Amount of actual costs incurred for contractors supporting the activities described in each category.
Total Cost ($ in millions)	Amount of actual costs incurred for supporting the activities described in each category. Include contractor costs.

52.7 How do I submit exhibit 52 and when is it due?

Exhibit 52 is due annually on January 31. It should be approved by the agency CFO before submission to OMB. Use the formatted excel spreadsheet template provided on the MAX Federal Community page https://max.omb.gov/community/x/3YHYEg. Email the completed spreadsheet to exhibit52@omb.eop.gov. For additional information about this submission, use the same email address for questions.

Report on Resources for Financial Management Activities

Include all shared service provider (SSP) costs, across category descriptions, as appropriate.

Department or Agency Name: Department of Government
Agency Contact (prepared by): Jane Doe
Contact Information (email/phone): 202-555-5555 jane.doe@gov

Categories	No. of Federal Employees	No. of Contractors	Cost of Contractors	Total Cost
	(in Full Time Equivalents)		($ in millions)	
Financial Operations				
Accounts Payable……	15.00	-	-	3.00
Accounts Receivable……	20.00	-	-	4.00
Disbursement……	3.00	-	-	0.40
General Ledger……	8.00	-	-	1.00
Intragovernmental ……	3.00	-	-	0.30
Travel……	1.00	1.50	0.01	0.20
Sub-total Financial Operations	**50.00**	**1.50**	**$ 0.01**	**$ 8.90**
Financial Reporting……	8.00	-	-	1.00
Accounting Policy……	8.00	-	-	1.00
Internal Control……	15.00	-	-	2.00
Audit Support……	4.00	-	-	0.80
Financial Systems……	5.00	5.00	1.00	2.50
Budget				
Formulation……	5.00	-	-	1.00
Execution……	5.00	-	-	1.00
Sub-total Budget	**10.00**	**-**	**$ -**	**$ 2.00**
OIG for Financial Statements Audit……	-	3.50	0.70	0.70
Cost Accounting/Performance Management……	10.00	-	-	1.00
Grants Management……	-	-	-	-
Other (e.g. personnel, procurement, loan etc)……	2.00	-	-	0.30
TOTAL	**112.00**	**10.00**	**$ 1.71**	**$ 20.20**

Auto sum of financial operations.

Auto sum of budget.

Budget formulation and execution are the only categories that should include resources that may be located outside the CFO organization.

Grants management and all non-budget categories should include only resources that are located directly in the CFO organization.

Auto sum of all categories above.

Is the CFO responsible for handling the budget functions? (Yes/No) **Yes**

Federal Financial Management Shared Service Provider Information:

Do you use a Federal financial management shared service provider (SSP)? (Yes/No) **No**

If yes, what services? (Hosting, Application Support, Transaction Processing)

Annual amount paid to Federal Financial Mangement SSP for support $ -

Only financial management SSP proportion here.

Comments:

Agencies should explain any significant line item changes between the amounts being reported and the exhibit 52 submission during the previous year, in the comments section. A significant change is defined as any increase that exceeds the percent increase determined by OMB guidance for the agency as a whole.

Allocation of overhead expenses is not required. A footnote should indicate if overhead allocation has been included in the costs; and if so, a brief description of what consists of the overhead expenses (e.g. rent...).

SECTION 53—INFORMATION TECHNOLOGY AND E-GOVERNMENT

Table of Contents

Summary of Changes

Requires agencies to submit an initial draft of exhibit 53 to OMB by August 28, 2009. Draft exhibits must be submitted electronically via IT budget submission system (section 53.6)

Simplifies exhibit 53 and drops 7 data columns (section 53.10 and exhibit 53).

53.1 Why must I report on information technology (IT) investments?

The information required allows the agency and OMB to review and evaluate each agency's IT spending and to compare IT spending across the Federal Government. Specifically the information helps the agency and OMB to:

- Ensure initiatives create a citizen-centered electronic presence and advance an E-Government (E-Gov) strategy including specific outcomes to be achieved;
- Understand the amount being spent on development and modernization of IT versus the amount being spent on operating and maintaining the status quo for IT;
- Identify costs for providing IT security as part of agency investment life cycle as well as IT security costs for supporting crosscutting or infrastructure related investments under the Federal Information Security Management Act (FISMA);
- Provide a full and accurate accounting of IT investments for the agency as required by the Clinger-Cohen Act of 1996;
- Ensure spending on IT supports agency compliance with the requirements of Section 508 of the Rehabilitation Act Amendments of 1998 (Electronic and Information Technology Accessibility) and Section 504 of the Rehabilitation Act of 1973 (Reasonable Accommodation);
- Ensure compliance with E-Government Act of 2002 and Paperwork Reduction Act of 1995;
- Ensure privacy is considered and protected in electronic activities;

- Identify investments supporting Homeland Security goals and objectives; and
- Review requests for agency financial management systems.

Agencies must provide this information using the Agency IT Investment Portfolio (exhibit 53) reporting format. This information should be consistent with information required in section 51.3. In addition, as an output of your agency's internal capital planning and investment control process, your Budget justification for IT must provide results oriented information in the context of the agency's missions and operations, as expressed through the agency's enterprise architecture. Your Budget justification, including the status and plans for information systems, should be consistent with your agency's submissions for Part 7 (section 300) of this Circular.

The total investment's costs must cover the entire risk-adjusted life cycle of each system and include all budgetary resources (direct appropriation, working capital fund, revolving funds, etc.). Budgetary resources are defined in section 20 of this Circular. Life cycle costs should also be risk adjusted to include any risks addressed on the Capital Asset Plan and Business Case. These total investment costs must be formulated and reported in order for OMB to meet the Clinger-Cohen Act's requirement which states, at the same time the President submits the Budget for a fiscal year to Congress under Section 1105(a) of title 31, United States Code, the Director shall submit to Congress a report on the net program performance benefits achieved as a result of major capital investments made by executive agencies in information systems and how the benefits relate to the accomplishment of the goals of the executive agencies.

53.2 What background information must I know?

The Federal Government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition and management of capital assets into the Budget decision-making process. It is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The Government Performance and Results Act of 1993 (GPRA), which establishes the foundation for Budget decision-making to achieve strategic goals in order to meet agency mission objectives. Instructions for preparing strategic plans, annual performance plans, and annual program performance reports are provided in Part 6 of this Circular (see section 220).
- The Federal Managers Financial Integrity Act of 1982 (FMFIA), Chief Financial Officers Act of 1990 (CFO Act) and Federal Financial Management Improvement Act of 1996, which require accountability of financial and program managers for financial results of actions taken, control over the Federal Government's financial resources, and protection of Federal assets. OMB policies and standards for developing, operating, evaluating, and reporting on financial management systems are contained in Circular A–127, Financial Management Systems, and section 52 of this Circular.
- The Paperwork Reduction Act of 1995 (PRA), which requires agencies to perform their information resources management activities in an efficient, effective, and economical manner.
- The Clinger-Cohen Act of 1996, which requires agencies to use a disciplined capital planning and investment control (CPIC) process to acquire, use, maintain and dispose of information technology in alignment with the Agency's enterprise architecture planning processes. OMB policy for management of Federal information resources is contained in Circular A–130, "Management of Federal Information Resources."

- The Federal Information Security Management Act (FISMA), which requires agencies to integrate IT security into their capital planning and enterprise architecture (EA) processes, conduct annual IT security reviews of all programs and systems, and report the results of those reviews to OMB.

- The E-Government Act of 2002 (P.L. 107–347), which requires agencies to support government-wide E-Gov initiatives and to leverage cross-agency opportunities to further E-Gov. The Act also requires agencies to establish a process for determining which government information the agency intends to make available and accessible to the public on the Internet and by other means. In addition, the Act requires agencies to conduct and make publicly available privacy impact assessments (PIAs) for all new IT investments administering information in identifiable form collected from or about members of the public.

- The National Technology Transfer and Advancement Act (NTTAA) of 1995 (Public Law 104-113) and OMB Circular A-119, which state that voluntary consensus standards are the preferred type of standards for Federal government use. When it would be inconsistent with law or otherwise impractical to use a voluntary consensus standard, agencies must submit a report describing the reason(s) for the agency's use of government-unique standards in lieu of voluntary consensus standards to the Office of Management and Budget (OMB) through the National Institute of Standards and Technology (NIST).

- The Federal Records Act, which requires agencies to establish standards and procedures to assure efficient and effective records management. The National Archives and Records Administration (NARA) issues policies and guidance for agencies to meet their records management goals and requirements. NARA also provides policies and guidance for planning and evaluating investments in electronic records management.

- The Privacy Act (5 U.S.C. § 552a), is an omnibus "code of fair information practices" which attempts to regulate the collection, maintenance, use, and dissemination of personal information by federal executive branch agencies.

53.3 How do I ensure IT investments improve program performance?

- All IT investments must clearly demonstrate the investment is needed to help meet the agency's strategic goals and mission by demonstrating how the investment supports a business line or enterprise service performance goal as documenting in a Segment of the Agency’s Enterprise Architecture. The capital asset plans and business cases (exhibit 300) and "Agency IT Investment Portfolio" (exhibit 53) demonstrate the agency management of IT investments and how these governance processes are used when planning and implementing IT investments within the agency. Any attendant documentation should be maintained and readily available if requested by OMB.

The individual agency's exhibit 53 is used to create an overall "Federal IT Investment Portfolio" published as part of the President's Budget. OMB's portfolio review and Budget process will ensure IT investments support the strategy identified in this section and ensure the Federal IT Investment Portfolio includes the most effective portfolio of investments to:

- Improve the management of programs to achieve better program outcomes;
- Eliminate redundant or non productive IT investments through multi-agency collaboration;
- Support the Federal Enterprise Architecture (FEA) and the Agency Enterprise Architecture;
- Support Presidential initiatives and E-Gov strategy;
- Focus IT spending on high priority modernization initiatives;

- Manage major IT investments within 10% of cost, schedule, and performance objectives;

53.4 What special terms should I know?

Budget Execution represents activities associated with the legal and managerial uses of budgetary resources to achieve results that comply with the enacted Budget and Administration policy. Budget execution activities include but are not limited to: apportionments, allotments, commitments, reprogramming actions, incurring obligations, and funds control. See sections 120 through 150 of Part 4 of OMB Circular No. A-11 for a comprehensive list of Budget execution activities.

Budget Formulation represents activities undertaken to determine priorities for future spending and to develop an itemized forecast of future funding and expenditures during a targeted period of time. This includes the collection and use of performance information to assess the effectiveness of programs and develop Budget priorities.

Business Reference Model (BRM) one of five reference models of the Federal Enterprise Architecture, is a function-driven framework used to describe the lines of business and sub-functions performed by the Federal Government independent of the agencies performing them. IT investments are mapped to the BRM to identify collaboration opportunities.

Capital Planning and Investment Control (CPIC) means the same as capital programming and is a decision-making process for ensuring IT investments integrate strategic planning, budgeting, procurement, and the management of IT in support of agency missions and business needs. The term comes from the Clinger-Cohen Act of 1996 and generally is used in relationship to IT management issues.

Core Financial System is an information system that may perform all financial functions including general ledger management, funds management, payment management, receivable management, and cost management. The core financial system is the system of record that maintains all transactions resulting from financial events. It may be integrated through a common database or interfaced electronically to meet defined data and processing requirements. The core financial system is specifically used for collecting, processing, maintaining, transmitting, and reporting data regarding financial events. Other uses include supporting financial planning, budgeting activities, and preparing financial statements. Any data transfers to the core financial system must be: traceable to the transaction source; posted to the core financial system in accordance with applicable guidance from the Federal Accounting Standards Advisory Board (FASAB); and in the data format of the core financial system.

Federal Enterprise Architecture (FEA) is a business-based framework for government-wide improvement. It describes the relationship between business functions and the technologies and information supporting them. The FEA is constructed through a collection of interrelated “Segment Architectures” and "reference models" designed to facilitate cross-agency analysis and the identification of duplicative investments, gaps, and opportunities for collaboration within and across federal agencies. For the next President's Budget, major IT investments should be aligned with each reference model within the FEA framework, except for the Data Reference Model. More information about the FEA reference models is available at http://www.egov.gov.

Federal Segment Architecture Methodology (FSAM) – is a scalable and repeatable step-by-step process for developing and using segment architectures developed by distilling proven best practices from across Federal agencies. Use of the FSAM should result in more complete and consistent segment architecture products by helping architects engage segment leaders to deliver value-added plans for improved mission delivery. Specifically, FSAM includes guidance to help architects establish clear relationships among strategic goals, detailed business / information management requirements, and measurable performance improvements within the segment.

Financial Management consist of activities that support the interrelationships and interdependencies between budget, cost and management functions, and the information associated with business transactions.

Financial Management System includes the core financial systems and the financial portions of mixed systems necessary to support financial management, including automated and manual processes, procedures, and controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions. The following are examples of financial management systems: core financial systems, procurement systems, loan systems, grants systems, payroll systems, budget formulation systems, billing systems, and travel systems.

Financial Operations represent activities associated with processing, recording, and reporting of revenues, receipts, disbursements, expenditures, assets, liabilities, and other financial transactions; reconciliation of asset and liability accounts, such as accounts or loans receivable, with subsidiary records and with external data, such as Treasury cash records; and preparing financial statements.

Financial System (See financial management system, core financial system, and mixed financial system.)

Funding Source means the direct appropriation or other budgetary resources an agency receives. You need to identify the budget account and the budget authority provided. Report those budget accounts providing the financing for a particular investment. *To avoid double counting, do not report any accounts receiving intra-governmental payments to purchase IT investments or services as funding sources.*

Government Information means information created, collected, processed, disseminated, or disposed of by or for the Federal government.

Information Resource Management (IRM) Strategic Plan is strategic in nature and addresses all information resources management of the agency. Agencies must develop and maintain the agency's IRM strategic plan as required by 44 U.S.C. 3506(b)(2). IRM strategic plans should support the agency's strategic plan required in OMB Circular A–11, provide a description of how information resources management activities help accomplish agency missions, and ensure IRM decisions are integrated with organizational planning, budget, procurement, financial management, human resources management, and program decisions.

Information System means a discrete set of information technology, data, and related resources, such as personnel, hardware, software, and associated information technology services organized for the collection, processing, maintenance, use, sharing, dissemination or disposition of information.

Information Technology, as defined by the Clinger-Cohen Act of 1996, sections 5002, 5141, and 5142, means any equipment or interconnected system or subsystem of equipment used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. For purposes of this definition, equipment is "used" by an agency whether the agency uses the equipment directly or it is used by a contractor under a contract with the agency that (1) requires the use of such equipment or (2) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product. Information technology includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. It does not include any equipment acquired by a Federal contractor incidental to a Federal contract.

IT migration Investment means the partner agency's migration costs associated with moving an existing investment, system, process or capability to a Government-wide common solution. All IT E-Gov and Line of Business (LoB) migration projects may be tracked separately and not part of a larger investment.

Major IT Investment means a system or an acquisition requiring special management attention because it: has significant importance to the mission or function of the agency, a component of the agency or another organization; is for financial management and obligates more than $500,000 annually; has significant program or policy implications; has high executive visibility; has high development, operating, or maintenance costs; is funded through other than direct appropriations; or is defined as major by the agency's capital planning and investment control process. OMB may work with the agency to declare other investments as major investments. If you are unsure about what investments to consider as "major", consult your agency budget officer or OMB representative. Investments not considered "major" are "non-major."

Managing Partner represents the agency designated as the lead agency responsible for the implementation of the E-Gov or LoB initiative. The managing partner is also responsible for coordinating and submitting the exhibit 300 for the initiative and the exhibit 300 will be represented as part of the managing partner's budget portfolio.

Mixed Financial System is an information system that can support both financial and non-financial functions.

New IT Project means an IT investment newly proposed by the agency that has not been previously funded by OMB. This does not include investments existing within the agency that have not previously been reported to OMB.

Non-Major IT Investment means any initiative or investment not meeting the definition of major defined above but is part of the agency's IT Portfolio. All non-major investments must be reported individually on the exhibit 53.

On-going IT Investment means an investment that has been through a complete Budget cycle with OMB and represents Budget decisions consistent with the President's Budget for the current year (BY–1).

Partner Agency represents the agency for an E-Gov or LoB initiative designated as an agency that should provide resources (e.g., funding, FTEs, in-kind) to the management, development, deployment, or maintenance of a common solution. The partner agency is also responsible for including the appropriate line items in its Exhibit 53 reflecting the amount of the contribution for each of the E-Gov or LoB initiatives to which it is providing resources.

Partner Agency IT "fee-for-service" represents the financial fees paid for by a partner agency for IT services provided.

Primary FEA Mapping is the identification of the primary function this IT investment supports. For the next President's Budget, investments should identify a primary mapping to the BRM (Line of Business and associated sub-function). Only one primary FEA mapping should be provided for each investment. A BRM mapping should be used if the investment primarily supports a functional area. Guidance on the BRM codes for the primary mappings can be found at http://www.egov.gov. Note: BRM lines of business and sub-functions in the Mode of Delivery business area are not valid as primary FEA mappings.

Privacy Impact Assessment (PIA) is a process for examining the risks and ramifications of using information technology to collect, maintain and disseminate information in identifiable form from or about members of the public, and for identifying and evaluating protections and alternative processes to mitigate the impact to privacy of collecting such information. Consistent with September 26th, 2003 OMB guidance (M–03–22) implementing the privacy provisions of the E-Government Act, agencies must conduct and make publicly available PIAs for all new or significantly altered information technology investments administering information in identifiable form collected from or about members of the public.

Records includes all books, papers, maps, photographs, machine readable materials, or other documentary materials, regardless of physical form or characteristics, made or received by an agency of the United States Government under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the Government or because of the informational value of data in them. Library and museum material made or acquired and preserved solely for reference or exhibition purposes, extra copies of documents preserved only for convenience of reference and stocks of publications and of processed documents are not included.

Segment Architecture is a detailed results-oriented architecture (baseline and target) and a transition strategy for a portion or segment of the enterprise. Segments are individual elements of the enterprise describing core mission areas, and common or shared business services and enterprise services and provides the core linkage of the IT Investment Portfolio to the Agency's Performance Management System.

Validated E-Gov Standard means a private, voluntary or U.S. government-developed standard developed and adopted via a widely recognized and broadly accepted process. These standards have been validated for use by NIST. The E-Gov standard validation process and validated standards can be located at the NIST E-Gov Standards Resource Center.

53.5 How do I determine whether I must report?

Submit an agency IT investment portfolio (exhibit 53) to OMB if your government agency is subject to Executive Branch review (see Section 25.1).

53.6 How do I submit exhibit 53 and when is it due?

Section 53 requires the submission of both a draft exhibit 53, and a budget request exhibit 53.

Initial draft of exhibit 53 (exhibit 53D). In order for OMB and the agency to agree on what major investments and non-major investments will be reported for the next President's Budget process, and establish the mapping of agency investments to agency architectures, agencies will be required to submit an initial draft exhibit 53 during the summer of 2009. The draft exhibit 53 should conform to a template described later in this section, to be made available electronically in MAX in time for agency submission. OMB will be providing additional information about these initial draft exhibit 53s. Draft exhibit 53 submissions should be coordinated providing input from both IT capital planning leads, and the agency's chief architect, to conform with guidance on segment architecture to be issued separately. Draft 53s will be due by August 28, 2009.

You must submit the draft exhibit 53 in an electronic format, using a valid spreadsheet version, via the IT Budget submission system (https://max.omb.gov/itweb/itweb).

Your budget request exhibit 53 is due to OMB by September 18, 2009, and should conform to the template described later in this section. The budget request exhibit 53 and any subsequent updates must be submitted via the IT Budget submission system (also known as ITWEB). Updates should include a coordinated update after final budget decisions, of the exhibit 53 and the accompanying Capital Asset Plans and Business Cases (exhibit 300), reflecting all final budget decisions.

If agencies are requesting supplemental funds, which include changes to the agency's portfolio, as part of their supplemental request, agencies should submit an updated exhibit 53.

53.7 If I submitted exhibit 53 last year, how do I revise it this year?

If your agency submitted an exhibit 53 for the 2009 Budget, the appropriate information can be used to create the new worksheet using the provided FY 2011 template (submissions not compliant with the provided template will be rejected). Ongoing investments from FY 2010 to FY 2011, must include their corresponding FY 2010 Unique Project Identifiers (UPI) in the appropriate column of the Exhibit 53. It is important the file is updated to reflect PY for FY 2009, CY for FY 2010, and BY for FY 2011. The Exhibit 53 also requires MAX funding codes for all "Funding Sources" line items. Consistent with prior submissions, "Investment Descriptions" will be limited to 255 characters.

For the purposes of Exhibit 53 only, funding sources should continue to utilize the "-9" suffix to flag funding from the American Recovery and Reinvestment Act of 2009 (ARRA).

53.8 How is exhibit 53 organized?

(a) *Overview.*

As a general rule, exhibit 53 covers IT investments for your agency as a whole. Provide investment amounts in millions of dollars (agencies may provide up to six decimal points, at least one decimal point is required) for PY through BY. It is recommended that no more than three decimal points be provided. Information reported here should be consistent with data you report in MAX schedule O, object classification (specifically, object classes 11.1 through 12.2, 23.1, 23.2, 25.2, 25.3, 25.7, 26.0, 31.0, and 41.0). Include all major IT investments, including financial management systems, reported in exhibit 300 as well as all migration, partner agency funding contribution, and non-major IT investments.

IT investments and funding levels should be provided whether funding is from discretionary or mandatory funding sources, and should include investments funded by user fees, gifts, or any other funding sources. Funding levels should represent Federal funding, and should not include amounts provided by non-Federal sources, such as in grants programs with State or local matching.

Funding levels in the exhibit 53 should represent (1) budget authority for BY, reflecting the agency's budget request, (2) for CY, the best current estimate of authority available including unobligated amounts, and (3) for PY, actual amounts. These levels should be consistent at the agency and bureau level with how program level funding, and bureau or agency summary funding tables, in how overall funding levels are treated. Inclusion of funding from supplemental appropriations and the Recovery Act should also be included in a manner consistent with other budget submission displays of program data.

Exhibit 53 has six major parts:

- Part 1. IT investments for Mission Area Support.
- Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications.
- Part 3. IT investments for Enterprise Architecture and Planning.
- Part 4. IT investments for Grants Management Systems.
- Part 5. National Security Systems IT Investments.
- Part 6. Grants to State and Local IT Investments.

All parts use the following common data elements (in order as they appear in the Exhibit 53):

- ***2010 Unique Project Identifier (UPI)*** means the unique project identifier used to report the investment in the 2010 Budget. Indicating the UPI used for the 2010 Budget process allows cross-walk and historical analysis crossing fiscal years for tracking purposes.

- ***2011 UPI*** means the identifier depicting agency code, bureau code, mission area (where appropriate), part of the exhibit where investment will be reported, type of investment, agency four-digit identifier, and two-digit investment category code. Details are provided in section 53.9.

- ***Investment Title*** means a definitive title explaining the investment. If the investment title has changed, include the previous name in parentheses. For "funding source" information, provide the

10- digit OMB max account code (OMB Circular A-11, Section 79.2). Additional information can be found in Part III of this circular. For the purposes of Exhibit 53 only, funding sources should continue to utilize the "-9" suffix to flag funding from the American Recovery and Reinvestment Act of 2009 (ARRA).

- ***Investment Description*** means a short public description (limited to 255 characters) for each investment (major, migration, partner contribution, and non-major). This description should explain the entry item, its components, and what program(s) it supports. This description should be understandable to someone who is not an expert of the agency. If the investment is part of a multi-agency initiative or part of another business case, please provide description of where that business case is located in the appropriate agency Budget submission (i.e. managing partner UPI). For example, if the investment represents your agency's participation in one of the Presidential initiatives, the description should state that this investment represents your agency's participation in one of the Presidential initiatives and should refer to the UPI of the managing partner's business case (i.e. managing partner UPI). For "funding source descriptions" please consult your OMB representative for specifics about what information should be included in this field.

- ***Primary FEA Mapping – BRM Line of Business*** means the 3-digit code for the primary Line of Business from the FEA BRM. This is required for all investments. BRM Line of Business codes can be found at http://www.egov.gov. Note: The BRM Mode of Delivery lines of business are not valid for Primary FEA Mappings.

- ***Primary FEA Mapping – BRM Sub-Function*** means the 3-digit code for the primary Sub-function under the BRM Line of Business identified in the BRM Line of Business. This is required for all investments. BRM Sub-function codes can be found at http://www.egov.gov. Note: The BRM Mode of Delivery sub-functions are not valid for Primary FEA Mappings.

- ***Homeland Security Presidential Directive-12 (HSPD-12)*** means the amount of this investment's PY/2009 funding associated with the agency's HSPD-12 implementation.

- ***Supports Homeland Security*** means an IT investment supporting the homeland security mission areas of 1) Intelligence and warning, 2) Border and transportation security, 3) Defending against catastrophic threats, 4) Protecting critical infrastructure and key assets, 5) Emergency preparedness and response, 6) Other. If the investment supports one of these mission areas, indicate which one(s) by listing the corresponding number(s) listed above. If the investment does not support homeland security, please leave blank.

- ***Development/Modernization/Enhancement (DME)*** means the program cost for new investments, changes or modifications to existing systems to improve capability or performance, changes mandated by the Congress or agency leadership, personnel costs for investment management, and direct support. For major IT investments, this amount should equal the sum of amounts reported for planning and acquisition plus the associated FTE costs reported in the exhibit 300.

- ***Steady State (SS)*** means maintenance and operation costs at current capability and performance level including costs for personnel, maintenance of existing information systems, corrective software maintenance, voice and data communications maintenance, and replacement of broken IT equipment. For major IT investments, this amount should equal the amount reported for maintenance plus the associated FTE costs reported in the exhibit 300.

- ***Segment Architecture*** represents the agency segment architecture the investment supports. The segment is identified by a unique code predetermined by the agency and the FEA PMO. The segment architecture code is a six digit code coordinated and maintained by the agency Chief

Architect and registered with the FEA PMO. The six digit segment code entered on the Exhibit 53 must match one of the registered agency segment codes or the entry will not be accepted. If new segments are established or revised, agencies are required to coordinate the numbering sequence with the FEA PMO office for approval. This is required for all investments. The agency Chief Architect should review the agency's portfolio to ensure accurate investment to segment architecture alignment. For detailed guidance regarding segment architecture codes, please refer to http://www.egov.gov.

- ***Funding Source*** means any budgetary resource used for funding the IT investment. Budgetary resource is defined in section 20. For each funding source, identify the budgetary resources including the MAX funding codes used for the investment. This is required for all investments. Add as many funding source line items as are appropriate for the investment. To avoid double counting or under counting, the totals of the funding amounts for a investment must match the main investment line item, represented with the investment category of "00" or "24." Do not report funds received as part of intra-governmental payments to purchase IT investments or services, partner agencies should provide this as a part of the partner agency's IT portfolio.

- ***Funding Source Subtotal*** represents the total of all funding source line items used for funding a particular IT investment.

(b) *Part 1. IT investments for Mission Area Support.*

Consistent with your agency's strategic and annual performance plan, report amounts for IT investments directly supporting an agency-designated mission area (e.g., human resource management, financial management, command and control). Report each mission area in which IT investments are funded, itemizing the "major" and "non-major" IT investments within each mission area.

Agencies must have a mission area titled "Financial Management", and it must be reported as the first mission area. Some IT investments support financial functions in addition to other functions. If an IT investment supports financial functions, you must include an estimated percentage of the total IT investment obligations associated with the core financial system components. Use the financial operations and core financial system definitions provided in this section for a description of functions relevant for determining the percent of core system costs. While budget formulation and execution systems are part of Financial Management, they are not included in this percent estimation of the core financial system. If the IT investment reported is 100 percent core financial, indicate "100" percent in the column. For mixed systems, indicate the appropriate percentage that is the core financial system.

(c) *Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications.*

Report all IT investments supporting common user systems, communications, and computing infrastructure. Each agency may have multiple Exhibit 300s encompassing office automation, infrastructure, and telecommunications for the agency. These investments may be defined at the bureau level, and/or by functional components of infrastructure. These may involve multiple mission areas and include End User Systems, Mainframes and Servers, and Telecommunications.

IT investments for Infrastructure, Office Automation, and Telecommunications are reported in Part 2 of Exhibit 53. Report all IT investments supporting common user systems, communications, and computing infrastructure. Each agency may have multiple Exhibit 300s encompassing office automation, infrastructure, and telecommunications for the agency.

- ***End User Systems and Support*** - End user hardware (desktop, laptop, handheld devices), peripherals (local printers, shared printers), and software (PC operating systems, office automation suites, messaging and groupware), and hardware and software for help desks.

- ***Mainframes and Servers Services and Support -*** Mainframes and servers [including web hosting (but not Web content development and management)], hardware and software operations, licenses, maintenance, back-up, continuity of operations, and disaster recovery. Also includes electronic messaging and storage.

- ***Telecommunications Systems and Support*** - Data networks and telecommunications (including wireless, multimedia, and local and long distance telephony) hardware and software operations, licenses, maintenance, back-up, continuity of operations, and disaster recovery. Also includes network operations command centers and wire closets and cable management.

If agencies have historically included additional activities in Part 2 of the Exhibit, the agency should specifically identify these activities in their infrastructure Exhibit 300s. The specific services should be provided in the Service Component Reference Model (SRM) Table.

IT Investments capturing shared services are to be included in Part 2, not in Part 1.

Report your IT security initiatives and investments not directly tied to a major investment on a separate line identified as "non-major."

(d) *Part 3. IT investments for Enterprise Architecture and Planning.*

Report amounts for IT investments supporting strategic management of IT operations (e.g., business process redesign efforts not part of an individual investment or initiative, enterprise architecture development, capital planning and investment control processes, procurement management, and IT policy development and implementation).

(e) *Part 4. IT investments for Grants Management Systems.*

Report amounts for IT investments representing planning, developing, enhancing or implementing a grants management system or portion thereof. Include any grants systems initiatives.

(f) *Part 5. National Security Systems investments.*

Report amounts for IT investments representing planning, development, enhancements or implementations of National Security Systems. Only DoD may use this part.

(g) *Part 6. Grants to State and Local IT investments.*

Report amounts for IT investments representing planning, development, enhancements or implementations of "Grants to State and Local." Agencies should only use this part to report "Grants to State and Local." Before using Part 6 for anything other than the previously identified, please check with your OMB representative.

53.9 How is exhibit 53 coded?

Use the following 17 digit line number coding system to update or complete your exhibit 53 (Each investment identified in the agency's portfolio must have a unique UPI):

Entry	Description
XXX–xx–xx–xx–xx–xxxx–xx	The first three digits are your agency code (see Appendix C).
xxx–XX–xx–xx–xx–xxxx–xx	The next two digits are your bureau code (see Appendix C). If this is a department only reporting or an agency-wide activity, use 00 as your bureau code.

Entry	Description
xxx–xx–XX–xx–xx–xxxx–xx	These two digits indicate the six parts of the exhibit 53: 01 = Part 1. IT investments for Mission Area Support 02 = Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications 03 = Part 3. IT Investments for Enterprise Architecture and Planning 04 = Part 4. IT Investments for Grants Management Systems 05 = Part 5. National Security Systems (Defense Only). 06 = Part 6. Grants to State and Locals
xxx–xx–xx–XX–xx–xxxx–xx	These two digits indicate the mission area. Assign a unique code for each mission area reported.
xxx–xx–xx–xx–XX–xxxx–xx	These two digits indicate your agency's type of investment. Select one of the following two digit codes according to the type of investment you are reporting: 01 = Major IT investments (see definition in section 53.3) 02 = Non-major IT investments (see definition in section 53.3) 03 = IT migration investment portion of a larger asset and for which there is an existing business case for the overall asset. Description of the IT investment should indicate the UPI of the major asset investment of the managing partner. 04 = Partner agency funding contribution represents resources provided by partner agency for a joint effort for more than one agency. Use the 04 indicator to identify investments where the business case for the major IT investment is reported in another agency's exhibit 53. Description of the IT investment should indicate the UPI of the major asset investment of the managing partner.
xxx–xx–xx–xx–xx–XXXX–xx	This is a four-digit identification number to identify a specific IT investment. If a new investment is added to exhibit 53, locate the area of exhibit 53 where you are going to report the IT investment and use the next sequential number as your four digit identification number. To avoid duplicative UPIs, review agency's portfolio before finalizing this identification number for new or updated investments.
xxx–xx–xx–xx–xx–xxxx–XX	These two digits identify the investment category of the investment you are reporting. Select one of the following two digit codes according to what you report on the title line: 00 = Total investment title line, or the first time the agency is reporting this particular investment. If this is one of the PMC E-Gov initiatives or an individual agency's participation in one of the PMC E-Gov initiatives, this two-digit code should be "24". 04 = Funding source or appropriation 09 = Any subtotal

Use the following 10 digit number coding system to update or complete your OMB MAX Account ID code information:

Entry	Description
XXX–xx–xxxx–x	The first three digits are your agency code (see Appendix C).
xxx–XX–xxxx–x	The next two digits are your bureau code (see Appendix C).

Entry	Description
xxx–xx–XXXX-x	This is a four-digit Account Symbol for the appropriate MAX Account. (see section 79.2)
xxx–xx–xxxx-X	This is a single digit Transmittal Code. (see section 79.2, and note on ARRA funding in section 53.7)

53.10 What are the steps to complete exhibit 53?

The following provides step-by-step instructions to complete each part of exhibit 53. See section 53.4 and 53.8 for definitions.

AGENCY IT INVESTMENT PORTFOLIO

Entry	Description
Part 1. IT investments for Mission Area Support	Report amounts (DME & SS) for IT investments that directly support an agency-designated mission area. Report each mission area in which IT investments are funded. This information should map directly to your agency's strategic and annual performance plan. For IT investments that cover more than one agency, report in the mission area with oversight of the IT investment. Mission area 01 is reserved for your "core financial system" IT investments. Step 1: For each mission area, list each major IT investment and the corresponding investment costs. For BY only, if financial or mixed, identify what percentage is core financial system. For BY only, if IT security costs are included, identify what percentage of the total investment is IT security. If this IT investment supports Homeland Security (HS) goals and objectives (see section 53.8) provide the number for the HS mission area. Step 2: For each mission area, list each non-major investment. If a system or investment supports Homeland Security goals and objectives (see section 53.8), answer yes.
Part 2. IT investments for Infrastructure, Office Automation, and Telecommunications	IT investments for Infrastructure, Office Automation, and Telecommunications are reported in Part 2 of Exhibit 53. Report all IT investments supporting common user systems, communications, and computing infrastructure. Each agency may have multiple Exhibit 300s encompassing office automation, infrastructure, and telecommunications for the agency. These investments may be defined at the bureau level, and/or by functional components of infrastructure. These may involve multiple mission areas and include End User Systems, Mainframes and Servers, and Telecommunications. All IT Investments capturing shared services are to be included in Part 2.
Part 3. IT Investments for Enterprise Architecture and Planning	Each agency should list all enterprise architecture efforts. For the next President's Budget, enterprise architecture investments are not categorized as major investments and an exhibit 300 is not required for them. Any capital planning and investment control process investments may be reported separately in this section. However, agencies should ensure the investments' UPI codes have the correct primary FEA mapping in order to clearly distinguish the EA investments from other planning investments (e.g., EA investments should be mapped to the "Enterprise Architecture" sub-function in the BRM).
Part 4. IT Investments for Grants Management Systems	Report amounts (DME & SS) for IT investments that support grants management operations. See classification instructions in section 53.8 under Grants Management.

Entry	Description
Part 5. National Security Systems	Report amounts (DME & SS) for IT investments related to National Security Systems (Defense Only).
Part 6. Grants to State and Local	Report amounts (DME & SS) for IT investments for Grants to State and Local.

AGENCY IT INVESTMENT PORTFOLIO

These columns are required for the next President's Budget exhibit 53, Agency IT Investment Portfolio:

Column 1: 2010 UPI (17–digits required for all legacy investments)
Column 2: 2011 UPI (17–digits required for all)
Column 3: Investment Title
Column 4: Investment Description (limited to 255 characters)
Column 5: Primary FEA Mapping—Line of Business (3 digit code)
Column 6: Primary FEA Mapping—Sub-Function (3 digit code)
Column 9: Core financial system (%)
Column 13: HSPD-12 ($M)
Column 14: Homeland Security Priority Identifier (select all that apply)
Column 15: Development, Modernization, Enhancement (DME) (PY/2009) ($M)
Column 16: Development, Modernization, Enhancement (DME) (CY/2010) ($M)
Column 17: Development, Modernization, Enhancement (DME) (BY/2011) ($M)
Column 18: Steady State (SS) (PY/2009) ($M)
Column 19: Steady State (SS) (CY/2010) ($M)
Column 20: Steady State (SS) (BY/2011) ($M)
Column 23: Segment Architecture (6 digit code)

SECTION 54—RENTAL PAYMENTS FOR SPACE AND LAND

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54.1 Do I need to report on rental payments?

If your agency obligates more than $5 million annually for rental payments to the General Services Administration (GSA) or to others (e.g., other Federal agencies or commercial landlords) for rental of space, structures and facilities, and land and building services, you must submit a space budget justification in the format of exhibit 54. OMB uses this information to evaluate your budget request for rent in the context of personnel and program changes (e.g., downsizing). GSA uses this information to refine its estimates of rental costs. You should use this information to analyze your space requirements and rental costs.

For reporting purposes, *include* amounts for the services covered by the basic rental charge assessed by GSA as obligations for rental payments to GSA, but *exclude* amounts above standard services, such as overtime utility services. From GSA's monthly bill, use line D, "Total Annual Rental" plus, in some cases, line 14a "Billing Adjustments and Corrections, Current Year" to compare to the amount on the line "GSA rent estimate" of exhibit 54. These amounts are already *net* of obligations for the cost of operations in buildings where GSA has delegated authority for building operations. The cost of building operations in buildings whose operational authority is delegated should be budgeted in the appropriate object classes, such as 25.4, operations and maintenance of facilities. These costs should appear on exhibit 54.

Make your obligations for rental payments to GSA (Part 1 of exhibit 54) and your obligations for other space services paid to non-GSA entities (Part 2) consistent with data reported as rental payments under the appropriate object classes (see section 54.4).

54.2 What materials must I provide?

You must submit an overall summary report in the format of exhibit 54 for the agency as a whole. This report provides a justification of your agency's budget request for rent. In addition, you must submit a separate report for each bureau or subordinate organization that makes rental payments. Submit a single agency-wide summary report if these costs are paid for centrally from one account.

You must complete exhibit 54 using an electronic Excel spreadsheet available from GSA at http://www.gsa.gov/exhibit54. The spreadsheet format includes inflation factors to calculate outyear estimates automatically and it generates total obligations for rental costs and funding sources.

The report contains information for PY through BY+1 on:

- Rental payments to GSA, which reconciles the GSA rent estimate with actual, planned, and requested changes in inventory.

- Funding sources for these rental payments to GSA.
- Rental payments to others, both non-Federal and Federal sources.
- Supporting detail on all changes from the GSA rent bill or GSA estimates of rental costs (see section 54.5).

Your submission must support your budget year request and list all applicable appropriations and/or other funding sources by account.

Report space requirements to the nearest square foot; state obligations in thousands of dollars and round to the nearest thousand. Where an amount falls exactly halfway in between, round to the nearest even figure (for example, both $11,500 and $12,500 round to $12). Do not identify amounts of $500 or less.

In addition to the materials provided with your budget submission, submit electronic versions of these materials both to GSA and OMB by sending e-mails to the following addresses:

OMBExhibit54@gsa.gov and exhibit54@omb.eop.gov

Exhibit 54 is due with the budget submission. Before sending the completed spreadsheet, verify that the subject line has the three-digit OMB agency code (see Appendix C) and the full agency name.

54.3 What terms do I need to know?

Agency means departments and establishments of the Government, and ***bureau*** means the principal subordinate organizational units of an agency.

GSA bureau code means the agency/bureau code(s) recorded on the GSA rent bills or GSA budget estimates for each bureau making rental payments. (This number is *not* the same as the 2–digit OMB bureau code described in section 79.2 and Appendix C.)

GSA rent estimate means a document developed by GSA and sent to customer agencies once a year. This document provides budget year data on estimated assigned space and the associated costs of that space. It is used by GSA's customers for planning and budgeting purposes. You should use this year's GSA budget estimate (available this summer) to report the GSA rent estimate for the CY and BY.

OMB-approved inflation factor means the inflation factor used in the GSA budget estimate. Mid-Session Review inflation factors will be used for CY through BY+1. The electronic spreadsheet format provided to you will use these factors to automatically inflate certain outyear estimates.

Chargeback *(or adjustments to the bill)* means the process by which GSA's customers contest a GSA billing. If you claim a chargeback, you are required to complete a Standard Form 2972 if you are an IPAC Agency and a form 2992 if you are a non-IPAC Agency and provide supporting chargeback data justifying your claim.

54.4 How do I prepare the space budget justification?

The following table explains the information needed to prepare the space budget justification (see exhibit 54). Exhibit 54 illustrates the summary page of the submission. There are five worksheets that contain the detail for the chargebacks, planned changes to inventory and the requested program changes. One worksheet is for the chargebacks, and there is one for each year in which to detail planned changes to inventory and the requested program changes (i.e., PY, CY, BY and BY+1). The summary justification consists of two parts:

- Rental payments to GSA (Part 1). (With the exception of the lines "Other adjustments," "Statutorily-imposed rent caps," and "Funding sources for Rental Payments to GSA," data in this part is derived by formula from five back-up worksheets); and
- Rental payments to others (Part 2).

Subtotals, totals, and certain other entries indicated in **boldface** will be automatically calculated (see exhibit 54).

INFORMATION REQUIRED FOR THE SPACE BUDGET JUSTIFICATION

Entry	Description
	Report in dollars and to the nearest square foot on the individual worksheets. The totals will be automatically calculated for the summary page, with obligations rounded to the nearest thousand. Report net estimates of rental costs and square feet (i.e., net of any adjustments within the relevant category being reported).
PART 1-A: RENTAL PAYMENTS TO GSA	In Part 1, include information on rental payments to GSA only. Report data on rental payments to others in Part 2.
Sections II, III, AND IV For PY, CY, BY, and BY+1 worksheets	Refer to the Exhibit 54 instructions provided by GSA for specific guidance in completing the supporting worksheets of the Exhibit 54 Excel Workbook. In addition to the instructional guide, GSA will provide the CY and BY Base Rent Estimate files and corresponding files containing anticipated Inventory Changes for those budget years. The GSA Exhibit 54 instructions can be found at http://www.gsa.gov/exhibit54
Space budget justification—the summary worksheet	
Other adjustments	Use this space to enter any other adjustments that are not included in the individual worksheets. Include an explanation of these items.
Statutorily-imposed rent caps	Report only on those rental payments to GSA that you consider constrained for legal reasons. Include as a footnote the legal reference (i.e., public law citation). Supporting detail must be provided, as described in section 54.5.
Total, net rental payments to GSA	The Space Budget Justification worksheet will automatically generate these totals.
PART 1-B: FUNDING SOURCES FOR RENTAL PAYMENTS TO GSA	
Funded by direct appropriations:	List each direct appropriation that funds rental payments to GSA, by account title and identification (ID) code. Use a 9–digit ID code, which includes the OMB agency/bureau code followed by the 4–digit basic account symbol assigned by Treasury (xxx–xx–xxxx) (see section 79.2). For PY–BY+1, include the amount of obligations for rental payments to GSA that are funded from annual appropriations and permanent appropriations to general, special, and trust funds.

Entry	Description
Account title and ID code	If there are more than three accounts listed, change the electronic spreadsheet to add rows, as needed.
Subtotal, direct appropriations	Report the sum of amounts of direct appropriations for a year for accounts listed. If more than three accounts are listed, change the spreadsheet formula to calculate the amount funded by direct appropriations.
Funded by other sources:	List all other sources of funding for rental payments to GSA (i.e., other than direct appropriations) by account title and ID code (described above).
Account title and ID code	Include additional information on the line stub to identify the source of funding, as necessary. For PY–BY+1, include the amount of obligations for rental payments to GSA that are funded from reimbursements, other offsetting collections, and allocations. If there are more than three accounts listed, change the electronic spreadsheet to add rows, as needed.
Subtotal, other funding sources	Report the sum of amounts for other funding sources for a year for accounts listed. If more than three accounts are listed, change the spreadsheet formula to calculate the amount funded by other sources.
Total, net rental payments to GSA (object class 23.1)	Report the sum of amounts paid to the GSA Federal building fund for all funding sources (direct appropriations plus other funding sources) for a year for accounts listed. Report amounts that are consistent with obligations classified as "Rental payments to GSA" (object class 23.1). Make the totals for each year equal to the corresponding "Total, net rental payments to GSA" reported above (see exhibit 54).
PART 2. RENTAL PAYMENTS TO OTHERS	In Part 2, report information on rental payments to Federal agencies other than GSA and to entities outside the Federal Government. Exclude data on rental payments to GSA, which are reported in Part 1.
Non-Federal sources (object class 23.2)	Include obligations for possession and use of space, land, and structures leased from non-Federal sources (i.e., commercial landlords). Report amounts consistent with obligations classified as "Rental payments to others" (object class 23.2).
Federal sources other than GSA (object class 25.3)	Include obligations for payments to Federal agencies other than GSA for space, land, and structures that are subleased or occupied by permits, regardless of whether the space is owned or leased. *Note:* Typically, with the approval of the Administrator of GSA, you may sublease your GSA-assigned space to another agency or bureau. In such cases, if you are the agency assigned the space by GSA, report rental payments for this space in Part 1 as "Rental payments to GSA." If you are the agency or bureau subleasing space from another agency or bureau, report payments for the sublease in Part 2 as "Federal sources other than GSA." Report amounts consistent with obligations for rental payments to Federal sources reported as "Purchases of goods and services from Government accounts" (object class 25.3).
Total, rental payments to others	Report the sum of amounts as rental payments to non-Federal sources and to Federal sources other than GSA. Make the totals consistent with rental obligations classified in object classes 23.2 and 25.3.

54.5 What supporting information must I provide?

Complete and submit all six worksheets of exhibit 54 that support the Space Budget Justification summary page. For each change, include the GSA bureau code; the GSA building number (if known); city and State; type of action; effective date; square feet; and rent, on the appropriate worksheet. For any program changes requested, provide supporting information that identifies the program initiatives related to the requested changes. In addition, provide a list that identifies major acquisitions, renovations, or consolidations required to implement agency planned space changes, as well as the timing, amount of work space, and cost of each action.

Space Budget Justification

Note: The PY GSA rent estimate is based on the monthly rent bill with "date of inventory" that matches the GSA budget estimate for BY. CY and BY rent estimates are taken from the GSA budget estimates for the BY.

Shaded entries are automatically generated by the electronic spreadsheet.

Agency____________________
Bureau ____________________
GSA Bureau Code____________

Round dollars to the nearest thousand, as required by section 54.2. Report space requirements to the nearest square foot.

Department of Government
(obligations in thousands of dollars)

	PY		CY		BY		BY + 1	
	Sq. Ft.	$	Sq. Ft.	$	Sq. Ft.	$	Sq. Ft.	$
PART 1-A: RENTAL PAYMENTS TO GSA								
GSA rent estimate……………………………	26,500,000	$400,000	28,300,000	$425,000	28,300,000	$438,000	28,300,000	$447,636
Actual adjustments to the bill:								
Chargebacks (PY only)………………	-500,000	-$4,000	-500,000	-$7,500	-500,000	-$7,658	-500,000	-$7,826
Other adjustments……………………								
Statutorily imposed rent caps………..								
Planned changes to inventory:								
PY……………………………………	200,000	$2,000	200,000	$3,000	200,000	$3,063	200,000	$3,130
CY……………………………………			100,000	$1,200	100,000	$1,500	100,000	$1,533
BY……………………………………					135,000	$1,750	135,000	$2,150
BY + 1………………………………							115,000	$1,000
BY + 2………………………………								
Requested program changes:								
CY……………………………………			115,000	$1,000	115,000	$1,700	115,000	$1,737
BY……………………………………					100,000	$1,200	100,000	$1,500
BY + 1………………………………							………	………
BY + 2………………………………								
Total, net rental payment to GSA…………	26,200,000	$398,000	28,215,000	$422,700	28,450,000	$439,555	28,565,000	$450,860

Dollar amounts for "Total, net rental payments to GSA" above should equal the corresponding entries at the end of Part 1. Supporting detail is required on each actual, planned, and requested change in inventory (see section 54.5).

	PY Sq. Ft.	PY $	CY Sq. Ft.	CY $	BY Sq. Ft.	BY $	BY + 1 Sq. Ft.	BY + 1 $
PART 1-B: FUNDING SOURCES FOR RENTAL PAYMENTS								
Funded by direct appropriations:								
Account title and ID code:								
Acct. 1 Salaries and expenses 016-10-1166		$366,250		$367,750		$372,387		$377,000
Acct. 2…………………………………								
Acct. 3…………………………………								
Subtotal, direct appropriations………………		$366,250		$367,750		$372,387		$377,000
Funded by other sources:								
Account title and ID code:								
Acct. 1 Water resources control 016-12-2650		$31,750		$54,950		$67,168		$73,860
Acct. 2…………………………………								
Acct. 3…………………………………								
Subtotal, other funding sources………………		$31,750		$54,950		$67,168		$73,860

Pursuant to section 83.12, only payments made directly to the GSA Federal buildings fund should be classified as object class 23.1. All other rental payments should be classified as object class 23.2 or object class 25.3.

	PY Sq. Ft.	PY $	CY Sq. Ft.	CY $	BY Sq. Ft.	BY $	BY + 1 Sq. Ft.	BY + 1 $
Total, net payments to GSA (object class 23.1)……………		$398,000		$422,700		$439,555		$450,860
PART 2: RENTAL PAYMENTS TO OTHERS								
Non-Federal sources (object class 23.2)…….	24,000,000	$290,000	25,000,000	$300,000	22,900,000	$275,000	22,900,000	$275,000
Federal sources (object class 25.3)…………	150,000	$1,800	150,000	$1,800	150,000	$2,000	150,000	$2,000
Total, rental payments to others……………	24,150,000	$291,800	$25,150,000	$301,800	$23,050,000	$277,000	$23,050,000	$277,000

SECTION 79—THE BUDGET DATA SYSTEM

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Summary of Changes

Clarifies that PAYGO exempt portions of mandatory or revenue proposals should be reported under transmittal code 2 and adds new transmittal codes for adjustments to produce the BEA baseline and for overseas contingency operations (section 79.2).

79.1 What is the MAX system and how do I report data in MAX?

MAX A-11 Data Entry (MAX) is a computer system used to collect and process most of the information required for preparing the budget. MAX collects the budget data using a series of schedules, or sets of data, within the MAX database. Each schedule describes a view of the President's Budget. An overview of all the schedules is provided in section 79.4.

You report data at the budget account level in MAX (see section 20.12(a)). This information is aggregated to provide the totals presented in many of the tables in the President's Budget. Most amounts are reported in millions of dollars. The preferred method of rounding numbers is to the nearest even million (for example, both $11,500,000 and $12,500,000 would round to 12); however, use of standard off-the-shelf packages that round up when a number is exactly mid-way between two whole numbers is acceptable (for example, $11,500 would round to $12 and $12,500,000 would round to $13).

The Budget Account Title (BAT) file contains information on budget account titles and classifications and controls MAX data entry. Among other things, the BAT contains information on:

- The account title, as it will be printed in the budget;
- The Treasury and OMB identification codes;
- Subfunction classification;
- Budget Enforcement Act (BEA) category;
- Congressional subcommittee assignment;
- Type of account (e.g., expenditure, receipt, trust, special, revolving);
- Whether more than half of the collections are user charges;
- Whether the account will finance payments to individuals;
- Whether the account is sequestrable or exempt;
- Whether the account has obligation limitations;

- For receipt accounts, the receipt type; and for offsetting receipts, character classification; and
- Where the account will be printed in the budget (see section 95.3).

Section 79.3 provides information on requesting new accounts and changes to existing accounts and the information contained in the BAT file.

The MAX A–11 User's Guide is a comprehensive reference document that provides information on how to use MAX. It is available online, on the MAX A–11 website:

http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc/

If you have computer access to MAX, you must use the system to submit your budget data. If data has already been entered for a particular account and transmittal code, you can retrieve and change the data using MAX. For a new account or transmittal code, you must create new MAX schedules shells before you can enter data. The User's Guide provides detailed instructions on how to create and edit MAX schedules. You can also use MAX to generate several diagnostic computer reports.

MAX contains numerous crosschecks or error messages ("edit checks") to help ensure the consistency of the data. Appendix D, which will be issued in the fall, describes the MAX edit checks.

79.2 What should I know about account identification codes?

OMB, in consultation with the Department of Treasury, assigns account identification codes. These codes are used to store and access data in MAX, run computer reports, and identify accounts in OMB and Treasury documents and MAX computer reports. While you can access your accounts in MAX without knowing the account number, you are required to perform several steps that can be eliminated if you do know it. Each account can be identified in several ways. For example, you can access your accounts in MAX by entering either the OMB account number or the Treasury account number. This is in contrast to finding your account in the Treasury Combined Statement Appendix, where only the Treasury account number or the name of the account within the agency listing may be used. Regardless of which number you use, familiarity with the following coding options is helpful.

- OMB agency code— Each department or independent agency has a unique three digit number assigned by OMB (see Appendix C for list).

- OMB bureau code— Each bureau within each department or major agency has an agency-unique two-digit number assigned by OMB. Agencies that do not have distinct bureaus have a bureau code of "00" (see Appendix C for list). Most receipt accounts do not have a distinct bureau and have a bureau code of "00".

- Treasury agency code— Each agency also has a two-digit number assigned by Treasury (see Appendix C for list).

- Account symbol— Each account has an agency-unique number assigned by Treasury or, in the case of merged accounts, by OMB, that corresponds to the fund type (e.g., general, special). For expenditure accounts, this number is four digits and, for receipt accounts, this number is six digits.

- Transmittal code— Each account in MAX has a one-digit code that identifies the nature or timing of the associated schedules as described below.

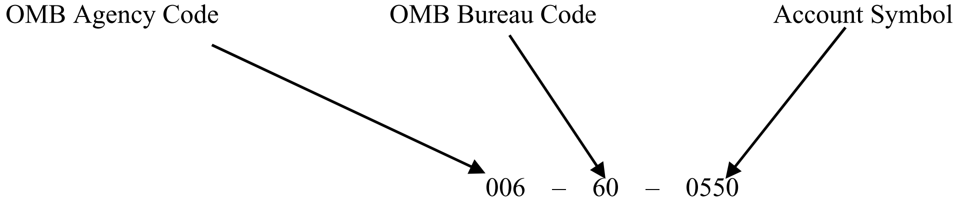
Transmittal Code	Title and description	Footnotes used in "Federal Programs by Agency and Account" listing in the budget.
0	Regular budget schedules.	n/a
1	Supplemental proposal. Use only for requesting supplemental CY amounts.	A
2	Legislative proposal, not subject to PAYGO. Use for the effects of proposals requiring authorizing legislation where those effects are not subject to PAYGO. These include both discretionary proposals that are contingent on the enactment of authorizing legislation, as well as mandatory and revenue proposals that do not have a PAYGO impact, which are sometimes referred to as third scorecard (see section 20.3). Do not use for routine reauthorization of agency programs.	J
3	Appropriations language to be transmitted later. Use only with prior approval of OMB when language for a significant policy proposal cannot be transmitted in the budget.	I
4	Legislative proposal, subject to PAYGO. Use for the effects of proposals requiring authorizing legislation that are subject to PAYGO. Do not use for routine reauthorization of ongoing programs.	B
5	Rescission proposal. Use only for requesting rescission of CY amounts.	H
7	Adjustment to baseline projection of current policy. Used by OMB to produce the BEA baseline.	n/a
8	Overseas contingency operations. Use only for amounts requested for BY through BY+9.	n/a
9	Reserved for OMB use.	n/a

- Fund code—Section 20.12 explains fund codes and the account symbols associated with each fund type.

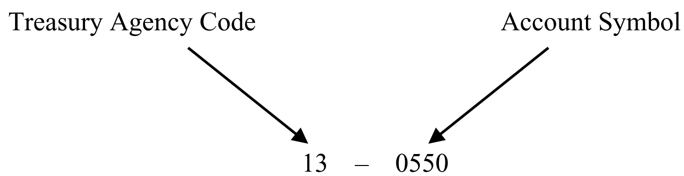
- Subfunction code—OMB assigns each account a three-digit code that corresponds to the account's subfunctional classification (e.g., national defense, income security, agriculture). (See section 79.3(d) for further explanation of subfunctions and exhibit 79A for a list of functional classifications.)

The following example illustrates the various account code combinations for the Salaries and expenses account of the National Telecommunications and Information Administration of the Department of Commerce:

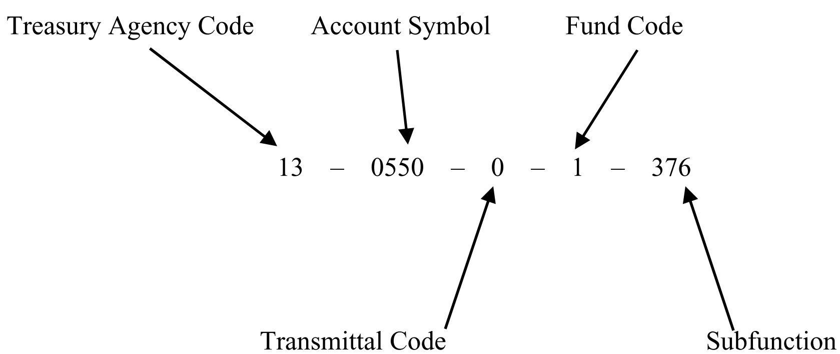
- OMB account number



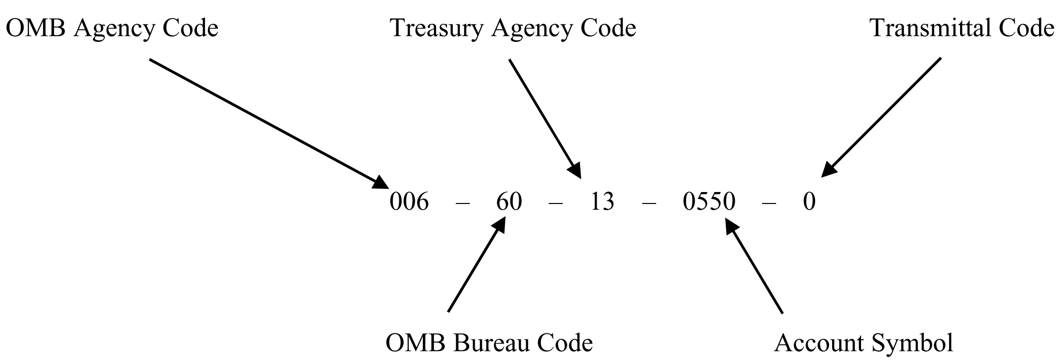
- Treasury account number



- Account identification code as shown in Budget Appendix



- Account identification code as shown at top of MAX data entry screen



79.3 How do I request new accounts, changes to existing accounts, or changes to the information contained in the BAT file?

(a) *General.*

If you need to request a new account or make changes to an existing account or the information contained in the BAT file, please advise your agency's OMB budget representative. If requesting a new account, you will need to provide information on:

- Fund type
- BEA category
- Function
- User charges
- Receipt type
- Receipt source
- Legal authority

These classifications are discussed further below. OMB will coordinate with Treasury, as required, make the necessary changes to the BAT file, and notify you when the change is complete.

If you want to propose new financing methods, reorganizations, account mergers, or changes to the program activity structure in the program and financing schedule, OMB approval is required. You should submit requests for such changes by October 1, unless OMB specifies another date. If a change is dependent on pending decisions or results from late congressional action or other circumstances beyond your control, submit the request as soon as possible after October 1. If prospective internal reorganizations are likely to require budget structure changes, obtain OMB approval prior to implementing the reorganization.

Until requests are approved, base budget materials on the existing structure. If changes are approved, you must revise budget schedules and other materials accordingly.

(b) *Fund type and code.*

OMB and Treasury will assign identification codes based on the type of fund involved and other characteristics of the proposed new account. The account symbol is based on the fund type. See section 20.12 for a detailed discussion of fund types.

FUND TYPES AND CODES

Account symbol	Type of fund	Fund Code
0000–3899	General fund	1
5000–5999	Special fund	2
4000–4499	Public enterprise revolving fund	3
4500–4999	Intragovernmental revolving fund	4
3900–3999	Management fund	4
8000–8399 and 8500–8999	Trust non-revolving fund	7
8400–8499	Trust revolving fund	8

Account symbol	Type of fund	Fund Code
6000–6999	Deposit funds	N/A
F3800–F3899	Clearing accounts	N/A
90xx	Assigned by OMB to designate allowances	
991x–998x	Assigned by OMB to designate merged accounts	

In cases where two or more accounts with different account symbols are included in a merged schedule, "99" is used for the first and second positions, the third position designates the fund type, and the fourth position uniquely identifies the merged schedules.

(c) *BEA category*.

For each expenditure or receipt account, OMB assigns a BEA category (e.g., discretionary, mandatory) that designates how the budgetary resources of the account will be classified for BEA purposes (see section 81.2 for a summary of BEA data classifications). In cases where the account will contain resources classified in more than one BEA category, OMB will identify the account as a "split" account.

(d) *Functional and subfunctional classification*.

OMB normally assigns each expenditure and offsetting receipt account a single subfunction code (see exhibit 79A for a list of functional classifications). In rare cases, an appropriation account may be split between two or more subfunctions. If the subfunctions are in the same function, the code of the function is used (e.g., 500, 550, etc.). If two or more functions are involved, the code "999" is used. Annually, OMB consults with CBO and other relevant budget and appropriation committee staff members regarding functional and subfunctional classification. This process, which is required by statute, typically occurs from October through December (see section 25.3).

(e) *User charge classification.*

OMB designates whether any collections related to the account are user charges, as defined in section 20.7(g). Receipts, offsetting receipts, and offsetting collections may be classified as user charges.

(f) *Receipt type*.

Receipt accounts are classified either as governmental receipts or offsetting receipts. If the receipts associated with a particular program have more than one classification, separate receipt accounts must be established (see section 20.7 for a full discussion of receipts).

(g) *Source category code*.

Each receipt type has a number of unique source category codes that enable MAX to produce tables needed for the budget. OMB assigns the codes when a new receipt account is established by determining the receipt type for the account and selecting an appropriate program category within that receipt type (see exhibit 79B for a list of source category codes).

(h) *Account mergers.*

Two or more Treasury accounts may be combined into a single budget account with a single set of budget schedules.

The underlying accounts are replaced and accounted for by a single budget account:

- When two or more appropriation accounts are replaced by a single appropriation. Sometimes the amounts in the old accounts are merged by law into the successor account.

- When the budget proposes to merge several appropriations into a single account and request budget year appropriations on that basis. The objective of such proposed mergers is to permit greater flexibility in achieving program goals by managing and budgeting at a higher level of aggregation. This objective must be balanced against other needs, including the need for public disclosure and review and control by the President and the Congress.

- For revolving fund feeder accounts, which are appropriation accounts whose budgetary resources are available only for transfer to specified revolving fund accounts. They should be merged into the revolving funds to which they relate, and the amounts included in the feeder accounts should not be separately identified.

The underlying accounts are displayed under a single budget account but continue to be accounted for separately for:

- Federal fund accounts for which no budget authority is anticipated after the past year;

- Permanent general and special fund appropriations that are used for similar purposes or where accounts contain small sums that have no direct bearing on programs financed by current appropriations;

- Small trust fund accounts; and

- Below threshold accounts (that is, accounts with amounts of $500,000 or less) with larger accounts. For this purpose, below threshold trust fund accounts may be merged with general fund accounts.

79.4 What are the MAX schedules?

The following table lists the MAX schedules that appear in the MAX computer reports and on the MAX computer screen:

MAX schedule	Description	A–11 section number
SCHEDULE A	POLICY ESTIMATES OF BUDGET AUTHORITY AND OUTLAYS	81
SCHEDULE C	CHARACTER CLASSIFICATION	84
SCHEDULE F	BALANCE SHEET	86.1
SCHEDULE G	STATUS OF DIRECT LOANS, PRESIDENTIAL POLICY	185.11(b)
SCHEDULE H	STATUS OF GUARANTEED LOANS, PRESIDENTIAL POLICY	185.11(c)
SCHEDULE J	STATUS OF FUNDS	86.3

MAX schedule	Description	A–11 section number
SCHEDULE K	RECEIPTS, BASELINE ESTIMATES	81
SCHEDULE N	SPECIAL AND TRUST FUND RECEIPTS	86.4
SCHEDULE O	OBJECT CLASSIFICATION	83
SCHEDULE P	PROGRAM AND FINANCING	82
SCHEDULE Q	EMPLOYMENT SUMMARY	85
SCHEDULE R	RECEIPTS, PRESIDENTIAL POLICY	81
SCHEDULE S	BASELINE ESTIMATES OF BUDGET AUTHORITY AND OUTLAYS	81
SCHEDULE T	BUDGET YEAR APPROPRIATIONS REQUESTS IN THOUSANDS OF DOLLARS	86.2
SCHEDULE U	LOAN LEVELS AND SUBSIDY DATA, PRESIDENTIAL POLICY	185.10(c)
SCHEDULE X	COMBINED SCHEDULE	EX-81A
SCHEDULE Y	FEDERAL CREDIT DATA, BASELINE ESTIMATES	185.11(d)

79.5 What MAX changes were made this year?

The following table lists the MAX changes that will affect the FY 2011 Budget:

MAX schedule, line code, and title		Change
Program and Financing (P)		
2343	Adjustment to foreign exchange valuation for Exchange Stabilization Fund	Add
9307	Limitation on obligations (Transportation Trust Funds)	Add
Object Classification (O)		
93.0	Limitation on expenses	Delete

In addition, BEA data classifications were updated with several additions and deletions (see section 81.2).

FUNCTIONAL CLASSIFICATION

050 NATIONAL DEFENSE
- 051 Department of Defense-Military
- 053 Atomic energy defense activities
- 054 Defense-related activities

150 INTERNATIONAL AFFAIRS
- 151 International development and humanitarian assistance
- 152 International security assistance
- 153 Conduct of foreign affairs
- 154 Foreign information and exchange activities
- 155 International financial programs

250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY
- 251 General science and basic research
- 252 Space flight, research, and supporting activities

270 ENERGY
- 271 Energy supply
- 272 Energy conservation
- 274 Emergency energy preparedness
- 276 Energy information, policy, and regulation

300 NATURAL RESOURCES AND ENVIRONMENT
- 301 Water resources
- 302 Conservation and land management
- 303 Recreational resources
- 304 Pollution control and abatement
- 306 Other natural resources

350 AGRICULTURE
- 351 Farm income stabilization
- 352 Agricultural research and services

370 COMMERCE AND HOUSING CREDIT
- 371 Mortgage credit
- 372 Postal Service
- 373 Deposit insurance
- 376 Other advancement of commerce

400 TRANSPORTATION
- 401 Ground transportation
- 402 Air transportation
- 403 Water transportation
- 407 Other transportation

450 COMMUNITY AND REGIONAL DEVELOPMENT
- 451 Community development
- 452 Area and regional development
- 453 Disaster relief and insurance

500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES
- 501 Elementary, secondary, and vocational education
- 502 Higher education
- 503 Research and general education aids
- 504 Training and employment
- 505 Other labor services
- 506 Social services

550 HEALTH
- 551 Health care services
- 552 Health research and training
- 554 Consumer and occupational health and safety

570 MEDICARE
- 571 Medicare

600 INCOME SECURITY
- 601 General retirement and disability insurance (excluding social security)
- 602 Federal employee retirement and disability
- 603 Unemployment compensation
- 604 Housing assistance
- 605 Food and nutrition assistance
- 609 Other income security

650 SOCIAL SECURITY
- 651 Social security

700 VETERANS BENEFITS AND SERVICES
- 701 Income security for veterans
- 702 Veterans education, training, and rehabilitation
- 703 Hospital and medical care for veterans
- 704 Veterans housing
- 705 Other veterans benefits and services

750 ADMINISTRATION OF JUSTICE
- 751 Federal law enforcement activities
- 752 Federal litigative and judicial activities
- 753 Federal correctional activities
- 754 Criminal justice assistance

800 GENERAL GOVERNMENT
- 801 Legislative functions
- 802 Executive direction and management
- 803 Central fiscal operations
- 804 General property and records management
- 805 Central personnel management
- 806 General purpose fiscal assistance
- 808 Other general government
- 809 Deductions for offsetting receipts

900 NET INTEREST
- 901 Interest on Treasury debt securities (gross)
- 902 Interest received by on-budget trust funds
- 903 Interest received by off-budget trust funds
- 908 Other interest
- 909 Other investment income

920 ALLOWANCES
- 921–929 Allowances [Assigned by OMB]

950 UNDISTRIBUTED OFFSETTING RECEIPTS
- 951 Employer share, employee retirement (on-budget)
- 952 Employer share, employee retirement (off-budget)
- 953 Rents and royalties on the Outer Continental Shelf
- 954 Sale of major assets
- 959 Other undistributed offsetting receipts

MULTIPLE FUNCTIONS
- 999 Multifunction account [used for accounts that involve two or more major functions]

SOURCE CATEGORY CODES FOR RECEIPT ACCOUNTS

GOVERNMENTAL RECEIPTS

[RECEIPT TYPE "G"]

Individual income taxes:
  Federal Funds 0121
Corporation income taxes:
  Federal funds 0130
  Trust funds (Hazardous substance superfund) 0135
Social insurance taxes and contributions (trust funds):
  Employment taxes and contributions:
    Old-age and survivors insurance (Off-budget) 0211
    Disability insurance (Off-budget) 0213
    Hospital insurance 0215
    Railroad retirement:
      Social Security equivalent account 0219
      Rail pension and supplemental annuity funds 0217
  Unemployment insurance:
    State taxes deposited in Treasury 0221
    Federal unemployment tax receipts 0222
    Railroad unemployment tax receipts 0223
    Railroad debt repayment 0224
  Other retirement contributions:
    Federal employees' retirement-employee contributions 0232
    Contributions for non-Federal employees 0233
Excise taxes:
  Federal funds:
    Miscellaneous excise taxes 0320
    Tobacco excise taxes 0311
    Ozone depletion excise tax 0315
    Alcohol excise tax 0312
    Telephone excise tax 0314
    Transportation fuels tax 0316
    Other Federal fund excise taxes 0310
  Trust funds:
    Highway trust fund 0322
    National recreational trails trust fund 0323
    Airport and airway trust fund 0325
    Aquatic resources trust fund 0330
    Black lung disability insurance trust fund 0333
    Inland waterway trust fund 0336
    Hazardous substance superfund 0339
    Oil spill liability trust fund 0341
    Post-closure liability trust fund 0342
    Vaccine injury compensation trust fund 0345
    National endowment for the environment 0346
    Leaking under ground storage tank trust fund 0348
    Other trust fund excise taxes 0349
Estate and gift taxes 0350
Custom duties and fees 0400
Miscellaneous Receipts:
  Miscellaneous taxes 0459
  Net tobacco settlement 0462
  United Mine Workers of America: Combined benefit fund 0470
  Employees health benefits fund 0473
  Deposit of earnings, Federal Reserve System 0651
  Defense Cooperation 0653
  Alternative fuels production 0655
  Fees for permits and regulatory and judicial services
    Immigration, passport, and consular fees 0830
    Patent and copyright fees 0840
    Registration and filing fees 0850
    Coal mining reclamation fees 0885
    Miscellaneous fees for permits, licenses, etc 0869
    Miscellaneous fees for regulatory and judicial services 0890
    Fees for legal and judicial service 0860
  Fines, penalties, and forfeitures 1050
  Restitutions, reparations, and recoveries under military occupation 1100
  Confiscated assets 1150
  Confiscated Iraqi assets 1155
  Refunds and recoveries 1250
Proposed Legislative Plug 1300

OFFSETTING RECEIPTS

INTRAGOVERNMANTAL TRANSACTIONS

[RECEIPT TYPE "IF"]

Federal intrafund transactions:
  Distributed by agency:
    Interest from the Federal Financing Bank 1405
    Interest on Government capital in enterprises 1400
    Interest received by retirement and health benefits funds 1410
    General fund payments to retirement and health benefits funds:
      Employees health benefits fund 1432
      DoD retiree health care fund 1430
      Miscellaneous Federal retirement funds 1438
    Subsidy balance transfers 1440
    Other 1471

[RECEIPT TYPE "UF"]

Federal intrafund transactions:
  Undistributed by agency:
    Employing agency contributions:
      Employees health benefits fund 1482
      DoD retiree health care fund 1480
      Miscellaneous Federal retirement funds 1488

[RECEIPT TYPE "IT"]

Trust intrafund transactions:
  On-Budget:
    Payment to railroad retirement (from off-budget) 1691
    Interest payments, to hospital insurance (from off-budget) 1692
    Other 1521
  Off-Budget:
    Interest on intertrust borrowing 1693
    Other 1511

[RECEIPT TYPE "ID"]

Inter-fund transactions:
  Distributed by Agency:
  On Budget:
Federal fund payments to trust funds:
    Contributions to insurance programs:
      Military retirement fund 1612
      Supplementary medical insurance 1613
      Hospital insurance 1614
      Railroad social security equivalent fund 1615
      Rail industry pension fund 1620
      Civilian supplementary retirement contributions 1616
      Unemployment insurance 1617

Other contributions 1618
State and local government fiscal assistance.........1623
Miscellaneous payments 1622
Trust fund payments to Federal funds:
Repayment of loans or advances to trust funds 1644
Quinquennial adjustment of military service credits...1695
Other 1643
Off-Budget:
Old-age, survivors and disability, insurance 1681

[RECEIPT TYPE "UI"]

Undistributed by agency:
On-Budget:
Employer share, employee retirement (on-budget):
Civil service retirement and disability insurance 1661
CSRDI from Postal Service............................1697
Hospital insurance (contribution as employer) 1662
Employer contributions to FHI from Postal Service 1696
Military retirement fund.................................1664
Other Federal employees retirement 1669
Interest received by on-budget trust funds 1670
Off-Budget:
Employer share, employee retirement (off-budget)...1682
Interest received by off-budget trust fund 1683

PROPRIETARY RECEIPTS FROM THE PUBLIC

[RECEIPT TYPE "P"]

Distributed by agency:
Interest:
Interest on foreign loans and deferred foreign collections...1715
Interest on deposits in tax and loan accounts 1716
Other interest 1717
Dividends and other earnings................................1750
Royalties and rents 2050
Sale of products:
Sale of timber and other natural land products......2220
Sale of minerals and mineral products 2230
Sale of power and other utilities 2240
Other...2299

Fees and other charges for services and special benefits:
Medicare premiums and other charges 2460
Employees health benefits premiums 2462
Nuclear waste disposal revenues 2464
Veterans life insurance (trust funds).....................2465
Tolls and other revenues, Panama Canal 2466
Other...2467
Sale of Government property:
Military assistance program sales (trust funds).....2637
Sale of land and other real property......................2515
Sale from the stockpile of strategic and other materials 2636
Other...2799
Realization upon loans and investments:
Dollar repayments of loans, Agency for International Development 2961
Foreign military credit sales 2962
Negative subsidies and downward re-estimates....2965
Repayment of loans to foreign nations 2997
Other...2998
Recoveries and refunds 3100
Gifts and contributions..3101
Miscellaneous receipt accounts 3102

[RECEIPT TYPE"UP"]

Undistributed by agency:*
Outer Continental Shelf escrow account (Function 908)...3220
Outer Continental Shelf rents and bonuses (953) 3230
Outer Continental Shelf royalties (953).......................3240
Arctic National Wildlife Refuge (959)........................3245
Sale of major assets (954) 3250
Other undistributed offsetting receipts (959)...............3252

OFFSETTING GOVERNMENTAL RECEIPTS

[RECEIPT TYPE "OG"]

Distributed by Agency:
Defense cooperation..4001
Regulatory fees 4025
Other 4050

[RECEIPT TYPE "UG"]

Undistributed by agency:
Spectrum auction proceeds..5000

NOTE: Functions may not be mixed within a "UP" source category.

SECTION 80—DEVELOPMENT OF BASELINE ESTIMATES

Table of Contents

Summary of Changes

Explains how the Administration's baseline projection of current policy is developed and differs from the baseline rules in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990 (sections 80.1 and 80.8).

When Congress discontinues an advance appropriation and provides the funding for that advance in the current appropriation, the base for calculating the advance appropriation should be assumed to be zero and the regular appropriation becomes the base to inflate (section 80.3).

Describes the rules that apply to baseline estimates of governmental receipts (section 80.6)

80.1 What are the basic requirements?

OMB produces two baseline estimates. First is the Administration's baseline projection of current policy, which reflects the Administration's definition of current services estimates and provides an appropriate benchmark against which policy proposals can be measured. Second is the BEA baseline, which follows the baseline rules in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Enforcement Act of 1990 (BEA.). After the baseline projection of current policy is developed, OMB centrally makes adjustments to these estimates to produce the BEA baseline.

The baseline projection of current policy differs from the BEA baseline in some major ways, including the continuation of certain expiring tax cuts enacted in 2001 and 2003 based on their scheduled 2010 parameters; the continuation of estate tax and AMT relief based on their 2009 parameters; the continuation of 2009 payment rates for certain Medicare physicians, the continuation of full-year funding for ongoing overseas contingency operations in Iraq and Afghanistan and related international activities, and the non-extension of one-time emergency funding and the insertion in lieu of an allowance for the statistical probability of natural or man-made disasters. Consult your OMB representative if you have questions regarding these and other, smaller conceptual differences

With only a few minor differences, the Administration's baseline projection of current policy follows the BEA baseline rules as they are proposed to be amended by Section 9 of H.R. 2920, the Statutory Pay-As-You-Go Act of 2009, or as they are proposed to be temporarily overridden by Section 7 of that bill. That legislation was transmitted by the President to Congress on June 9, 2009, and introduced in the House of Representatives on June 17, 2009.

In order to develop baseline estimates, each agency, including the legislative and judicial branches, must submit estimates of budgetary resources, outlays, and receipts that project the CY levels into BY through BY+9, except:

- For credit financing accounts, baseline data is required only for net financing disbursements; and
- Government-sponsored enterprises do not have to submit baseline estimates.

Section 81 provides detailed information on entering baseline data into MAX.

The BEA provides explicit instructions on how to develop the baseline estimates. The adjustments to these instructions are provided by OMB to reflect the Administration's projection of current policy and may change over time. Some baseline rules apply to all baseline estimates. However, most rules are specific to two categories of collections and spending:

- Those that are controlled through annual appropriations acts (discretionary spending); and
- Those that are controlled through authorizing legislation (mandatory spending and receipts).

The classification of collections and spending as discretionary or mandatory spending generally follows the criteria specified in the BEA. Consult your OMB representative if you have questions concerning BEA classification.

80.2 What general rules do I need to know?

The baseline is generally a projection of the budgetary resources, outlays, and receipts for mandatory programs and governmental receipts, and a projection of the current year (CY) levels of budgetary resources, outlays, and receipts into the outyears for discretionary programs. Exceptions to this general rule in the BEA and the Administration's baseline projection of current policy are described later in this section. Below are rules that apply to all baseline estimates:

- *Legislative proposals*. Legislative proposals are considered to be changes from the baseline projection of current policy. Do not reflect their budgetary effects in the baseline estimates. On the other hand, the baseline estimates should include the legislative changes from current law that are also assumed in the Administration's projection of current policy. Consult your OMB representative if you have questions about the legislative changes assumed in the baseline projection of current policy.

- *Supplementals*. Include only supplementals associated with mandatory programs in the baseline.

- *Regulations, management initiatives, and administrative actions*. Include the effects of these, including planned regulations that are not final, in the baseline estimates, as long as they can be implemented without further legislation.

- *Credit programs*. Base the estimates for credit programs on enacted appropriations of subsidy budget authority for direct loans and guaranteed loan commitments. In addition, see section 185.11(d) for baseline requirements for net financing disbursements in liquidating and financing accounts (schedule Y).

80.3 What rules apply to discretionary spending and collections?

The BEA requires the baseline estimates for discretionary spending and collections to be based on the levels provided in the most recent appropriations act or full-year continuing resolution (CR). If a part-year CR is in effect, base the estimates on the annualized level of the CR. Except for advance appropriations, the most recent appropriations act or full-year CR is normally for the current year. The BEA provides special rules for estimating the baseline for BY through BY+9 when no appropriations have been enacted.

The baseline projection of current policy differs from the BEA requirements in the treatment of overseas contingency operations in Iraq and Afghanistan and related international activities, and in the treatment of one-time emergency funding. First, for overseas contingency operations, the baseline projection of current policy is based on the most recently enacted full-year funding levels. The BEA baseline, in contrast, is simply based on the most recent appropriations, even if only part-year funding has been provided. Second, for one-time emergency funding, the baseline projection of current policy does not include any extension of this funding. By contrast, the BEA baseline extends and inflates this funding for BY through BY+9.

(a) *Current year base*.

Estimates will equal the enacted current year amounts reported in MAX under transmittal code 0. You must separate discretionary budgetary resources, except those related to spending authority from offsetting collections, into pay-related and non-pay portions. See section 81.2 for pay and non-pay definitions.

(b) *BY through BY+9 baseline estimates*.

In most cases, baseline estimates of budgetary resources are calculated by MAX to be equal to the most recent full year appropriation (generally the CY level) adjusted for anticipated pay and non-pay inflation using factors supplied by OMB.

For the four BEA-specified accounts with social insurance administrative expenses (the Federal hospital insurance trust fund, the supplementary medical insurance trust fund, the unemployment trust fund, and the rail industry pension fund), you must report estimates of the beneficiary population (see explanation of line 9993 in section 81.3).

For the Pell Grant program, you must report estimates of the beneficiary population and project the required level of discretionary budget authority and outlays for the BY through BY+9 sufficient to fund (a) the maximum discretionary grant award at the nominal level specified by law for the CY for the estimated caseload in BY through BY+9 and (b) any estimated shortfall from the CY.

For programs financed by the Highway and Mass Transit trust fund and controlled by annual obligation limitations, projections of discretionary outlays are derived from a projection with inflation of the CY level of the obligation limitation.

Outlays from budgetary resources provided prior to the budget year should be the same in the baseline and in the Presidential policy estimates, unless policy proposals restrict or accelerate spending from such balances. New budgetary resources generally should outlay at a rate that is consistent with Presidential policy spendout rates. Section 81.3 describes outlays more fully.

(c) *Advance appropriations*.

If an account is completely funded through advance appropriations, the baseline estimate of new budgetary resources should equal the advance appropriation, not the CY inflated level. The last year of the advance appropriation becomes the base for calculating the baseline estimate for the remaining years. However, if Congress discontinues an advance appropriation and provides the funding for that advance in the current appropriations instead, the last year of the advance appropriation should be assumed to be zero, and the regular appropriation should be inflated accordingly.

If an account is funded with both current and advance appropriations, inflate the current appropriation as described in (b) above; for the advance appropriation, follow the guidance in the paragraph above.

(d) *Discretionary credit accounts*.

The OMB subsidy model inflates CY subsidy budget authority using the annual adjustment factor for non-pay costs from the economic assumptions for the budget. The model derives subsidy outlays from the subsidy budget authority. The estimated subsidy rate for the BY should be a separate and distinct calculation from that done for the CY. The OMB subsidy model computes the subsidy rate using the economic assumptions for the budget. (See section 185.5 for instructions on calculating baseline subsidy estimates, including programs with negative subsidies.) We do not collect baseline information on direct loan obligations and guarantee commitments.

(e) *Discretionary offsetting collections and receipts*.

The baseline estimates should be consistent with the levels of budgetary resources assumed for the account conducting the activity that generates the collections. When the level of collections is independent of the appropriated level, reflect collections consistent with the level of activity anticipated under current law.

(f) *Multi-account appropriations*.

If an appropriation covers more than one account and does not specify the amount provided for each account, such as the limitation on administrative expenses under the Social Security Act, the distribution of the budget authority by account in the CY is the base for subsequent years. Inflate the CY amount by account to derive the budget authority for BY through BY+9.

(g) *Accounts with negative budget authority in the CY.*

- If the account has negative budget authority as a result of a rescission, reduction, or transfer of balances, estimate the budget authority for BY through BY+9 as zero.

- If the account has negative budget authority because the offsetting collections credited to the account exceed the spending authority from those offsetting collections (e.g., as a result of limitations on administrative expenses or repayments of debt), provide your best estimate of the *offsetting collections* under current law, and

  - If the *spending authority is controlled by appropriations*, project the authority using the guidance in section 80.3(b).

  - If the *spending authority from offsetting collections is indefinite*, reflect the level of activity anticipated under current law.

80.4 What rules apply to mandatory spending and collections?

Consistent with BEA, the estimates for budgetary resources provided in authorizing law and for appropriated entitlements should generally reflect the level of activity anticipated under current law, using the same economic and technical assumptions that are used for the Presidential policy estimates. Exceptions to the estimates reflecting current law are based on the Administration's projection of current policy. Consult your OMB representative about these exceptions.

In general, the estimates for mandatory budgetary resources should include the effect of changes to programs and activities directed by previously enacted legislation (such as a change in a benefit formula that becomes effective in BY+2) in the year that the changes become effective. The following special rules apply:

- *Expiring authorizations*. In general, assume that programs that would expire under current law will expire, with one exception. Unless an expiring program has been explicitly designated as temporary, assume the expiring program will continue at current levels if outlays in the last full year of the program before expiration exceed $50 million. However, assume an expiring *provision* of law (in contrast to an expiring *program*) will expire if that assumption does not have the effect of terminating the basic program.

- *Veterans' compensation cost-of-living-adjustment (COLA)*. Assume enactment of a COLA for veterans' compensation that is equal to the COLA required by law for veterans' pensions.

- *Medicare physician reimbursements.* Medicare payments under Section 1848 of the Social Security Act are assumed to continue at 2009 payment rates, notwithstanding the scheduled reduction in those rates.

- Refundable Earned Income and Child Tax Credits are assumed to continue following the rules specified in 80.6 below.

- Transitional Medical Assistance, Qualified Individuals programs, and diabetes funding for the National Institutes of Health and Indian Health Services are assumed to continue even though these programs expire under current law.

Affected agencies should contact their OMB representative for guidance.

Base collections affected by Federal pay rates on rates used for Presidential policy, not on the levels of compensation assumed in the baseline for the pay portion of discretionary accounts

The BEA requires that substantive changes to or restrictions on entitlement law or other mandatory spending law contained in appropriations laws (including changes in offsetting receipts or collections) be treated as changes in discretionary spending for the purposes of scoring those appropriations laws (see Appendix A). However, in the subsequent budget, OMB can decide to reclassify such changes, especially in accounts that are generally mandatory. If advised by OMB to reclassify the change, the mandatory spending entries for the account should reflect the change made in appropriations law.

80.5 What rules apply to mandatory supplemental requests?

Baseline estimates for mandatory supplemental requests will reflect *current year* baseline estimates of budget authority and the related outlays. Budget authority estimates for BY through BY+9 will be zero. However, you should reflect the spendout of current year budget authority, as appropriate, over the period BY through BY+9.

80.6 What rules apply to governmental receipts?

In general, governmental receipts should be projected based on provisions of the tax code under current law. Thus, estimates should include the effect of changes to governmental receipts directed by previously enacted legislation (such as a change in a tax rate, deduction, or credit that becomes effective in BY+2) in the year that the changes become effective. The following special rules apply:

- Excise taxes dedicated to trust funds are assumed to continue after their scheduled expirations.

- Estate and gift tax provisions are assumed to continue in effect after 2009 based on nominal 2009 parameters.

- The individual alternative minimum tax is assumed to continue based on 2009 parameters, adjusted for inflation in the same way that many other tax parameters are adjusted for inflation.

- Other provisions of EGTRRA and JGTRRA are assumed to continue after their scheduled expiration in 2010 as if the 2010 provisions remained in effect, except that where those 2010 provisions have been amended by subsequent law (e.g., the expanded refundability of the Child Tax Credit), the amended version is assumed to continue. Consult your OMB representative about the exact interpretation of this rule.

80.7 What materials must I provide in support of baseline estimates?

After final budget decisions, you must submit a table showing the impact on the baseline of estimates of:

- Major regulations;
- Expiring provisions of law;
- Caseloads for major mandatory programs;
- Management initiatives;
- Administrative actions; and
- Other major program assumptions included in the baseline.

Show the budgetary impact of each major assumption separately. For example, a change in outlays due to a regulatory change should be shown separately from a change due to the expiration of a provision of law. Consult with your OMB representative on the format and content of this table.

80.8 How does OMB construct the Budget Enforcement Act baseline?

After the baseline projection of current policy estimates are developed, OMB centrally makes adjustments to these estimates to produce a baseline that is consistent with the BEA. These adjustments reflect conceptual differences between the Administration and the BEA on what constitutes a proper current services baseline, which can serve as an appropriate benchmark for policy proposals. Consult your OMB representative if you have questions regarding these conceptual differences.

SECTION 81—POLICY AND BASELINE ESTIMATES OF BUDGET AUTHORITY, OUTLAYS, AND RECEIPTS (SCHEDULES A, S, R, AND K)

Table of Contents

Summary of Changes

Updates BEA data classifications and drops the third scorecard BEA data classification for mandatory and revenue proposals that are not scored as PAYGO. Retains the third scorecard BEA data classification for net interest (section 81.2).

81.1 What are the basic requirements?

MAX contains detailed information on budgetary resources, outlays, and receipts for *presidential policy* (schedules A and R) and *baseline* (schedules S and K).

- Presidential policy data covers the period PY through BY+9.
- Baseline data covers the period CY through BY+9.
- Schedules A and S include information on budget authority and outlays.
- Schedules R and K include information on receipts.

You must submit policy data for all accounts except credit financing accounts and Government-sponsored enterprises. You must submit baseline data for the regular budget schedule (transmittal code "0") of all accounts except for credit financing accounts and Government-sponsored enterprises. You must also submit baseline data for supplemental requests (transmittal code "1") that are classified as *mandatory* (such as payments under entitlement programs). Do not provide baseline estimates for other transmittals (codes "2", "3", "4", "5") unless specifically requested by OMB.

Use the guidance in sections 31–33 to develop the policy estimates. Use the guidance in section 80 to develop the baseline estimates.

81.2 What data classifications do I use?

Report data using the data classifications specified below. Multiple entries are required when more than one classification applies to a budgetary resource, limitation, offset, or outlay. When inserting or revising data, choose the appropriate line number, BEA category, and other classifications from a list provided on the MAX screen.

MAX tracks spending on homeland security activities. For selected budget enforcement subcategories, MAX will prompt you to indicate whether the amounts should be further classified as:

- ***Homeland security.*** Activities focused on combating and protecting against terrorism. These activities may occur within the United States and its territories, or outside of the United States and its territories in support of domestically based systems or activities (e.g. visa processing). Such activities include efforts to detect, deter, protect against, and, if needed, respond to terrorist attacks. A complete definition can be found in the National Strategy for Homeland Security;

- ***Regular.*** Those programs, projects, and other activities that are not classified as homeland security.

DATA CLASSIFICATIONS FOR SCHEDULES A, S, R, AND K

Classification	Description
SCHEDULE	Alpha character designation of the type of schedule in the MAX budget system that appears at the beginning of each schedule.
LINE NUMBER	For schedule X, 4–digit code that indicates the data being reported (see section 81.3). For schedules K and R, a 6–digit code (xxxx–xx) that indicates the character classification (see sections 81.3 and 84.4). A line number appears on each line for which data are provided.
SUBFUNCTION	For accounts with a single subfunctional classification (see section 79.2), you can enter data without specifying the subfunction; MAX automatically provides the subfunction designation. For multifunction accounts, you must enter data under each of the appropriate subfunctions.
CIVILIAN PAY/ MILITARY PAY/ NON-PAY	Indicates whether amounts are used to fund personnel compensation and benefits or other activities. Applies to baseline budget authority (other than spending authority from offsetting collections) and limitations. ***Civilian pay*** means the amount of new budgetary resources used to fund personnel compensation and benefits for civilian personnel, consistent with the definitions for object classes 11.1 through 11.5 and 12.1. ***Military pay*** means the amount of new budgetary resources used to fund personnel compensation and benefits for military personnel, consistent with object classes 11.7 and 12.2. Amounts designated as ***pay*** should reflect personnel compensation financed from discretionary budget authority or limitations only. ***Non-pay*** means the amount of new budgetary resources not used to fund personnel compensation. Applies to mandatory budget authority even if it funds personnel compensation.
BUDGET ENFORCEMENT CATEGORY/ SUBCATEGORY/ JURISDICTION/	Indicates: • BEA category (e.g., discretionary, mandatory, net interest, governmental receipt); • Subcategory (e.g., emergency, third scorecard (for net interest), modification to a mandatory account, highway, mass transit, overseas contingencies, hurricane

Classification	Description
	relief, and the Recovery Act); • Jurisdiction (appropriations or authorizing committee); and • Whether the amount is for homeland security. Report data by the categories listed in the next table, "Summary of BEA Data Classifications." Use multiple entries if more than one classification applies to the budgetary resources and outlays in an account. Applies to all line entries *except* the number of beneficiaries (line 9993). In most cases, if an account is classified as discretionary under the BEA, you classify any spending authority from offsetting collections (line 5890), the offsetting collections from which they are derived (lines 8800–8896), and the outlays from the offsetting collections (line 93xx) as *discretionary*. Likewise, you classify these amounts as *mandatory* in accounts designated as mandatory under the BEA, except for administrative expenses, which are classified as discretionary. All discretionary resources are under the jurisdiction of appropriations committees. The classification for mandatory resources differentiates between appropriations and authorizing committee jurisdiction.

SUMMARY OF BEA DATA CLASSIFICATIONS

If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
Discretionary	Appropriations committee	None of the conditions described below applies.	DISCRETIONARY This category includes spending authority that requires appropriations committee action and the associated outlays, as well as receipts made available through action by appropriations committees in discretionary accounts. Do not use this category if amounts can be classified in any of the other discretionary categories described below.
		The amounts are under the ***discretionary highway category*** of the BEA, as amended by TEA-21 and SAFETEA-LU (Pub .L. No. 105–178, Pub. L. No. 109-59).	DISCRETIONARY, HIGHWAY Classify amounts in excess of the highway category spending cap as "discretionary" not as "discretionary, highway."
		The amounts are under the ***discretionary mass transit category*** of the BEA, as amended by TEA-21 and	DISCRETIONARY, MASS TRANSIT Classify amounts in excess of the mass transit category spending cap as

If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		SAFETEA-LU (Pub. L. No. 105–178, Pub. L. No. 109-59).	"discretionary" not as "discretionary, mass transit."
		The amounts include ***enacted or proposed emergency funding for the current year and proposed emergency funding for the budget year*** (i.e., funding that is either proposed or enacted with an emergency designation by both the President and the Congress) and is limited to emergency amounts that are not for Defense or FY 2009 International Overseas Contingency Operations, Hurricane Relief, Recovery Act, or Pandemic Flu.	DISCRETIONARY, EMERGENCY Use only with OMB approval. Do not use this category if amounts can be classified in any of the other discretionary categories described below.
		Use for ***enacted or proposed NON-emergency funding for the current year and proposed NON-emergency funding for the budget year*** for funding provided in a supplemental act.	NON-EMERGENCY SUPPLEMENTAL FUNDING Use only with OMB approval.
		The amounts that were provided in the American Recovery and Reinvestment Act of 2009 (Pub. P.L. No. 111–5).	EMERGENCY ECONOMIC RECOVERY FUNDING Use only with OMB approval.
		Use for ***enacted or proposed NON-emergency funding for the current year and proposed NON-emergency funding for the budget year*** for overseas contingency operations. This coding should be limited to Defense programs.	NON-EMERGENCY DEFENSE OVERSEAS CONTINGENCY OPERATIONS Use only with OMB approval.
		Use for ***enacted or proposed emergency funding for the current year and proposed emergency funding for the budget year*** for overseas contingency operations. This coding should be limited to Defense programs.	EMERGENCY DEFENSE OVERSEAS CONTINGENCY OPERATIONS Use only with OMB approval.
		Use for ***enacted or proposed emergency funding for the current year and proposed emergency funding for the budget year*** for hurricane relief efforts.	EMERGENCY HURRICANE RELIEF FUNDING Use only with OMB approval.

If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		Appropriations action modifies the spending authority or receipts in an otherwise mandatory account.	DISCRETIONARY, MODIFICATION OF A MANDATORY ACCOUNT Does not apply to baseline estimates. Use only with OMB approval. (See definition of CHIMPs in section 20.3.)
Mandatory	Appropriations committee	None of the conditions described below applies.	MANDATORY, APPROPRIATIONS COMMITTEE Do not use this category if amounts can be classified in any of the other mandatory categories described below.
		The amounts include ***emergency funding*** (i.e., funding that is proposed to be designated as emergency by the President and the Congress in statute).	MANDATORY, EMERGENCY, APPROPRIATIONS COMMITTEE Use only with OMB approval.
	Authorizing committee	None of the conditions described below applies.	MANDATORY, AUTHORIZING COMMITTEE Do not use this category if amounts can be classified in any of the other mandatory categories described below.
		The amounts include ***emergency funding*** (i.e., funding that is proposed to be designated as emergency by the President and the Congress in statute.)	MANDATORY, EMERGENCY, AUTHORIZING COMMITTEE Use only with OMB approval.
Net Interest		None of the conditions described below applies.	NET INTEREST Applies to budget authority, outlays, and offsetting receipts included in the net interest functions (function 900).
		The amounts result from the effects of proposed legislative changes on interest budget authority, outlays, or receipts and are not scored as PAYGO.	NET INTEREST, THIRD SCORECARD Does not apply to baseline estimates.
Governmental receipts	Authorizing committee	None of conditions described below applies.	GOVERNMENTAL RECEIPTS Applies to governmental receipts in schedules K and R.
	Appropriations committee	The amounts result from appropriations action modifying Governmental receipts.	DISCRETIONARY MODIFICATION OF GOVERNMENTAL RECEIPTS Applies to governmental receipts in schedule R; does not apply to schedule K. Use only with OMB approval.

81.3 What information do I need to report?

(a) *Budgetary resources and limitations*.

As a general rule, MAX automatically calculates *discretionary policy budget authority and spending authority from offsetting collections entries* through BY+9 for the years that are subject to across-the-board rules. MAX also automatically calculates *discretionary baseline budget authority and offsetting collections entries* for BY through BY+9 based on the CY budgetary resources entered by the agency and inflation factors entered by OMB. For discretionary offsetting collections entries (lines 5890), you may overwrite these amounts, if necessary.

The following line codes indicate the type of budgetary resource and whether it is discretionary or mandatory. **You will enter these data in schedule X, and MAX will automatically copy the data to schedules A and S**.

BUDGETARY RESOURCES

Entry	Description
4300–5890	***Discretionary budget authority.*** Total lines (lines 4300, 4790, 4990, 5300, 5590) report amounts for each type of authority (see section 82.3 for line definitions). Policy estimates of advance appropriations (line 5590) for BY+2 and beyond will be set equal to BY+1, unless OMB approves as exception.
6250-6990	***Mandatory budget authority.*** Total lines (lines 6250, 6390, 6590, 6690, or 6790) report amounts for each type of authority (see section 82.3 for line definitions).
700x Memorandum entry	***Limitations.*** Amount of the limitation where "x" indicates the specific limitation involved. Includes enacted or proposed limitations on obligations or administrative expenses. MAX includes data on limitations for selected accounts where limitations on program level or administrative expenses are enacted or proposed. Limitation lines are also used, with OMB approval, for special purposes, such as to report information on mandatory administrative expenses for the social security and medicare trust funds. The limitation(s) applicable to an account must be specified on the BAT file (see section 79.1) before you can report limitation data in MAX. When more than one limitation is applicable, report each one separately. Supplemental requests and legislative proposals that involve limitations should be reported under the appropriate transmittal code. Mandatory budget authority that is subject to a discretionary limitation on obligations established in an appropriations act is scored as discretionary budget authority rather than as a limitation for all affected accounts except trust fund accounts in the Department of Transportation.
9993 Memorandum entry	***Number of beneficiaries (in thousands).*** The annual average number of beneficiaries that are served by Federal hospital insurance, supplementary medical insurance, unemployment insurance, and rail industry pension fund programs. MAX uses these data to generate discretionary baseline budget authority for administrative expenses for these programs.

(b) *Offsets*.

As a general rule, MAX automatically calculates *discretionary policy offsetting collections entries* (lines 8800–8845) through BY+9 for the years that are subject to across-the-board rules. MAX also automatically calculates *discretionary baseline offsetting collections entries* for BY through BY+9 based on the CY amounts entered by the agency and inflation factors entered by OMB. You may overwrite these amounts, if necessary.

The following line codes provide data on offsetting collections (i.e., cash credited to the account) and changes in receivables and unpaid, unfilled orders from Federal sources for all accounts with spending authority from offsetting collections. **You will enter these data in schedule X, and MAX will automatically copy the data to schedules A and S.**

OFFSETS

Entry	Description
Offsetting collections (cash) from: (see section 82.6 for line definitions)	
8800	Federal sources
8820	Interest on Federal securities
8825	Interest on uninvested funds
8840	Non-Federal sources
8845	Offsetting governmental collections (from non-Federal sources)
8895	Change in uncollected customer payments from Federal sources (unexpired)
8896	Portion of cash collections credited to expired accounts (–)

(c) *Outlays*.

MAX automatically calculates *discretionary outlays (policy and baseline)* for CY through BY+9 based on the information reported in schedule X for:

- The levels of budgetary resources reported;
- Outlay rates; and
- Outlays from PY balances.

You report outlay rates using the separate MAX drop down menu that is accessible for each budgetary resource, as described in the MAX A–11 User's Guide (see exhibit 81C). If necessary, you can report multiple outlay rates for the budgetary resources within an account, along with the corresponding outlays from PY balances. To support the automatic outlay generation feature in MAX, you must enter information developed using the method of calculation (i.e., the waterfall method) that is specified in this Circular and the MAX A–11 User's Guide (see exhibit 81D). As a general rule, you cannot override automatically generated discretionary outlay amounts.

You can also use MAX's automatic outlay generation feature to calculate *mandatory outlays*. If you enter outlay rates for mandatory resources, MAX will automatically generate the outlays. Remember to include information on outlays from PY balances if you use the automatic feature.

Outlays must be distributed between those from new authority and those from balances of prior authority. The distribution of prior authority should be available from accounting records. For CY through BY+9, estimate the distribution based on experience in the timing of outlays for the respective obligations.

The following line numbers indicate the type of outlays and whether they are discretionary or mandatory. **You will enter these data in schedule X, and MAX will automatically copy them to schedules A and S.**

OUTLAYS

Entry	Description
9111	***Outlays from new authority.*** The outlays from new budget authority for that year. These outlays may not exceed the sum of new budget authority entries (lines 40xx through 67xx) for that year. Exclude outlays from new limitations reported on line 97xx and outlays from new spending authority from offsetting collections reported on line 93xx.
9121	***Outlays from balances.*** The outlays from balances (both obligated and unobligated) of budget authority brought forward from the previous year. The sum of outlays on lines 9121 and 9321 may not exceed balances at the start of the year (lines 2140 and 7240), plus or minus adjustments in those balances during the year (lines 2221, 2222, 7331, 7332, and 7340). Exclude outlays from prior limitations reported on line 98xx and outlays from balances of spending authority from offsetting collections reported on line 9321.
9122	***Outlays from end of PY balances.*** The outlays that will occur each year (CY–BY+9) from balances of budget authority made available prior to the current year. Do not report outlays from new budget authority provided in CY–BY+9. Include outlay impact (+ or –) of balance transfers (lines 2221, 2222, 7331, 7332) and adjustments in expired accounts (line 7340). Exclude outlays from end of PY balances of prior limitations reported on line 982x and outlays from end of PY balances of prior spending authority from offsetting collections reported on line 9322. MAX uses these data to calculate discretionary outlays from balances on line 9121. MAX copies this line from the data entered on budget authority lines with the suffix –63 with line numbers ranging from 4300 through 6790 (excluding line 5890) in schedule X. The sum of all years of the outlays from end of PY balances lines (XXXX–63) should not exceed the total end of PY balances, which is calculated as PY unobligated balances, end of year (X2440), plus PY unpaid obligations, end of year (X9502), plus or minus CY and BY adjustments (X2221, X2222, X7331, X7332, and X7340).
9311	***Outlays from new spending authority from offsetting collections.*** The outlays from new spending authority from offsetting collections becoming available in that year. These outlays cannot exceed the total amount reported on lines 58xx and 69xx.
9321	***Outlays from balances of spending authority from offsetting collections.*** The outlays from balances (both obligated and unobligated) of spending authority brought forward from a previous year.
9322	***Outlays from end of PY balances of spending authority from offsetting collections.*** The outlays that will occur each year (CY–BY+9) from balances of spending authority from offsetting collections made available prior to the current year. Do not report outlays from new spending authority provided in CY through BY+9. Include outlay impact (+ or –) of balance transfers (lines 2221, 2222, 7331, 7332) and adjustments in expired accounts (line 7340). Exclude outlays from end of PY balances of budget authority reported on line 9122 and outlays from end of PY balances of prior limitations reported on line 9822. MAX uses these data to calculate discretionary outlays from balances on line 9321. MAX copies this line from the data entered on line 5890–63 and 6990–63 in schedule X. The sum of all years of the outlays from end of PY balances lines (XXXX–63) should not exceed the total end of PY balances, which is calculated as PY unobligated balances, end of

Entry	Description
	year (X2440), plus PY unpaid obligations, end of year (X9502), plus or minus CY and BY adjustments (X2221, X2222, X7331, X7332, and X7340).
970X	***Outlays from new limitations.*** The outlays from new limitations (i.e., outlays from limitations in the year the limitations were enacted or proposed), where "X" indicates the specific limitation involved. Include outlays from spending authority from offsetting collections that are controlled through new limitations.
980X	***Outlays from prior limitations.*** The outlays from prior limitations (i.e., outlays from limitations that were enacted in prior years), where "X" indicates the specific limitation involved. Include outlays from spending authority that are controlled through prior limitations.
982X	***Outlays from end of PY balances of prior limitations.*** The outlays that will occur each year (CY–BY+9) from balances of limitations that were enacted prior to the current year, where "X" indicates the specific limitation involved. Do not report outlays from limitations enacted or proposed for CY through BY+9. Exclude outlays from end of PY balances of budget authority reported on line 9122 and outlays from end of PY balances of spending authority from offsetting collections reported on line 9322. MAX uses these data to calculate discretionary outlays from prior limitations balances on line 98xx. MAX copies this line from the data entered on line 700x–63 in schedule X. The sum of all years of the outlays from end of PY balances lines (XXXX–63) should not exceed the total end of PY balances, which is calculated as PY unobligated balances, end of year (X2440), plus PY unpaid obligations, end of year (X9502), plus or minus CY and BY adjustments (X2221, X2222, X7331, X7332, and X7340).

(d) *Receipts*.

Report data on all collections deposited in receipt accounts (i.e., governmental receipts and offsetting receipts) in schedules R and K. The line numbers for offsetting receipts are also used to designate receipt character classification (see section 84.4). Only one character classification (line number) is valid for each receipt account, and that information must be specified on the BAT file (see section 79.1) before you can report the character classification data for the applicable account.

The following rules apply to receipts:

- Past year data will be loaded into schedule R from agency data reported to Treasury. These amounts cannot be overridden but can be changed by OMB when agencies provide valid justification. (see section 82.15(b)).
- MAX automatically calculates *discretionary policy receipts* in schedule R through BY+9 for the years that are subject to across-the-board rules. You may overwrite these amounts, if necessary.
- MAX also automatically calculates *discretionary baseline receipts* in schedule K for BY through BY+9 based on the CY budgetary resources entered by the agency and inflation factors entered by OMB. You may overwrite these amounts, if necessary.
- MAX copies the mandatory baseline receipts data you enter in schedule K to schedule R. To change the policy estimates, you must revise the baseline estimates.

The following table indicates the line numbers used to report receipts in schedules K and R:

RECEIPTS

Entry	Title	Description
0000–00	Governmental receipts	Report all collections classified as governmental receipts (see section 20.7).
	Offsetting receipts:	Report all offsetting receipts based on the character classification of the receipts (see section 84.4). *Most offsetting receipts will be reported on line 2004–03.*
1330–03	Proceeds from sale of commodities	
1340–03	Receipts from sales of property or assets	
1352–03	Receipts from other physical assets	
1512–03	Receipts for education and training	
2004–03	All other offsetting receipts	

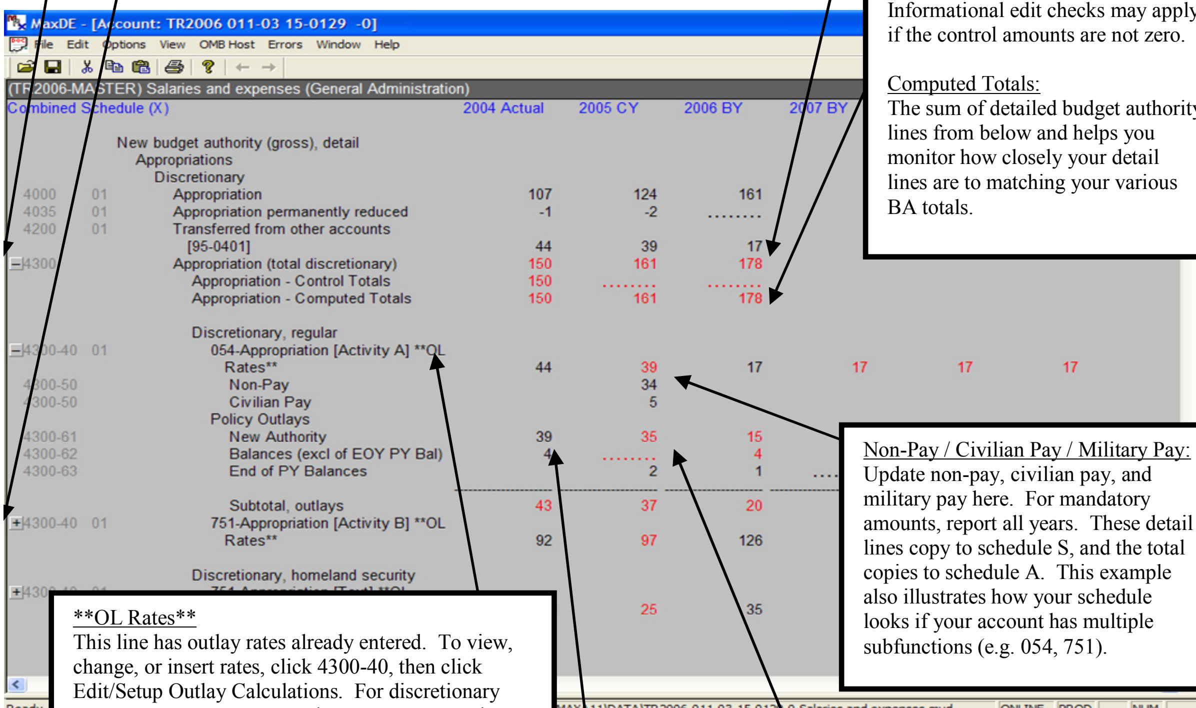
Updating MAX Combined Schedule X

Schedule X is where MAX users enter all data that populates schedules P, A, and S. With the exception of the outlays from end of PY balances lines, all line numbers in schedule X are the same as in schedules P, A, and S. As entries are made in schedule X, MAX automatically updates these other three schedules. Schedule X looks identical to schedule P until the "New Budget Authority" line. This exhibit illustrates how to insert data and new lines, unique features of schedule X, and where data entered in schedule X crosswalks to schedules A and S. See sections 80-82 for an overview and detailed line descriptions for schedules S, A, and P respectively.

Collapse / Expand Lines:
Click the expand + button to reveal detail lines or the collapse – button to hide them. To expand or collapse all lines, click View/ Expand All Lines or View/Collapse All Lines.

Control Totals:
Provide an on-screen check against totals reported in other databases. For PY, these amounts are derived from FACTS II. OMB will not load CY and BY for many accounts, in which case the line will be blank. Informational edit checks may apply if the control amounts are not zero.

Computed Totals:
The sum of detailed budget authority lines from below and helps you monitor how closely your detail lines are to matching your various BA totals.



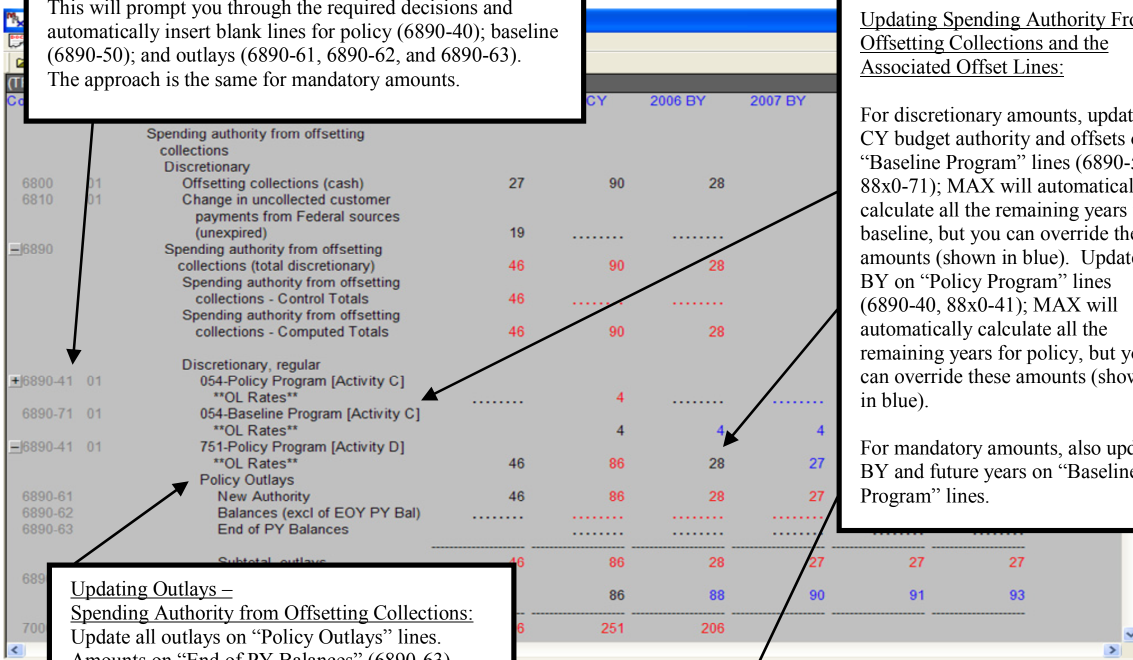
Non-Pay / Civilian Pay / Military Pay:
Update non-pay, civilian pay, and military pay here. For mandatory amounts, report all years. These detail lines copy to schedule S, and the total copies to schedule A. This example also illustrates how your schedule looks if your account has multiple subfunctions (e.g. 054, 751).

OL Rates
This line has outlay rates already entered. To view, change, or insert rates, click 4300-40, then click Edit/Setup Outlay Calculations. For discretionary amounts, you must enter outlay rates. For mandatory amounts, this feature is optional. These rates will copy to schedules A and S.

Updating Outlays:
For PY, distribute outlays between "New" (4300-61) and "Balances" (4300-62). Next, enter estimates of how amounts from unobligated and obligated balances, with adjustments, will outlay in CY and future years on "End of PY Balances" (4300-63). All the remaining outlay entries will be automatically calculated for you if you entered outlay rates. If you are not using outlay rates, then estimate the distribution between "New" and "Balances." Amounts on "End of PY Balances" line copies to S and A lines 9122; "New" to A line 9111; and "Balances" to A 9121 where it is combined with 9122. They are also automatically totaled and entered on lines 8690 thru 8698 in schedules X and P.

Insert Additional Lines – Budget Authority:
To insert additional detailed discretionary budget authority lines, click the 4300 line, then click Edit/Insert/4300-30 Budget Enforcement Act Category. This will prompt you through the required decisions and automatically insert blank lines for policy (4300-40); baseline civilian pay/non-pay (4300-50); and outlays (4300-61, 4300-62, and 4300-63). Use this approach for all types of new budget authority, discretionary and mandatory. See the next example for the treatment of offsetting collections.

Insert Additional Lines – Spending Authority:
To insert additional detailed discretionary spending authority from offsetting collections lines, click the 6890 line, then click Edit/Insert/6890-30 Budget Enforcement Act Category. This will prompt you through the required decisions and automatically insert blank lines for policy (6890-40); baseline (6890-50); and outlays (6890-61, 6890-62, and 6890-63). The approach is the same for mandatory amounts.

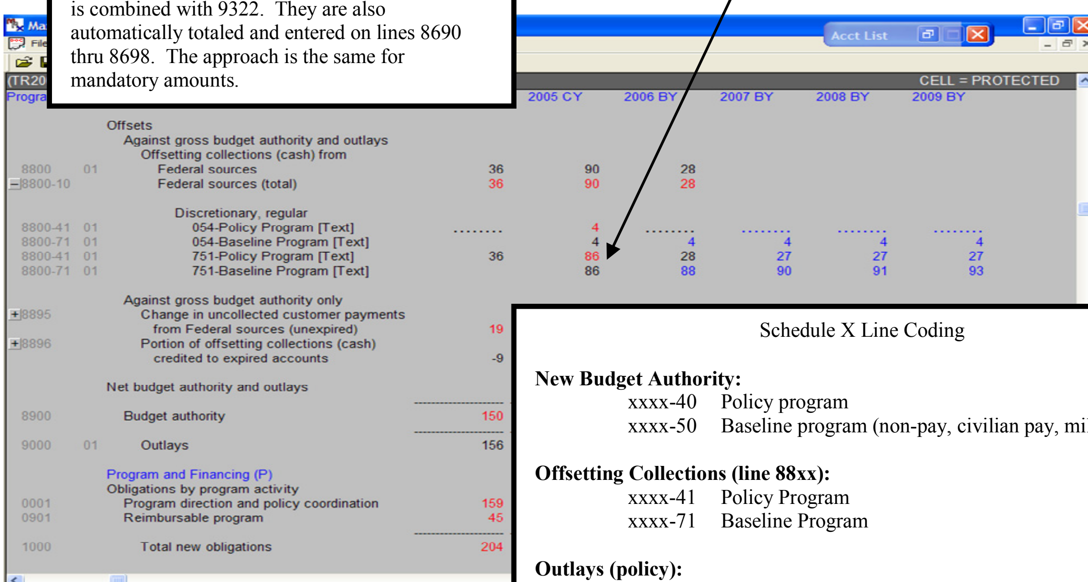


Updating Spending Authority From Offsetting Collections and the Associated Offset Lines:

For discretionary amounts, update CY budget authority and offsets on “Baseline Program” lines (6890-50, 88x0-71); MAX will automatically calculate all the remaining years for baseline, but you can override these amounts (shown in blue). Update BY on “Policy Program” lines (6890-40, 88x0-41); MAX will automatically calculate all the remaining years for policy, but you can override these amounts (shown in blue).

For mandatory amounts, also update BY and future years on “Baseline Program” lines.

Updating Outlays –
Spending Authority from Offsetting Collections:
Update all outlays on “Policy Outlays” lines. Amounts on “End of PY Balances” (6890-63) copies to S and A lines 9322; “New” (6890-61) to 9311; and “Balances” (6890-62) to 9321 where it is combined with 9322. They are also automatically totaled and entered on lines 8690 thru 8698. The approach is the same for mandatory amounts.



Schedule X Line Coding

New Budget Authority:

xxxx-40	Policy program
xxxx-50	Baseline program (non-pay, civilian pay, military pay)

Offsetting Collections (line 88xx):

xxxx-41	Policy Program
xxxx-71	Baseline Program

Outlays (policy):

xxxx-61	Outlays from New Authority
xxxx-62	Outlays from Balances (excl of EOY PY Bal)
xxxx-63	Outlays from End of PY Balances
xxxx-64	Outlay Subtotals

Other:

xxxx-10	Control Totals
xxxx-20	Computed Totals
xxxx-30	Pick List Placeholders

Schedule X Line Number Crosswalk to Schedules P, A, and S

xxxx	**Schedule P:** MAX copies lines with no hyphenated suffix to the corresponding lines in schedule P.
xxxx–10	**Control totals:** Control Totals provide an on-screen check against totals reported in other databases. For PY, these amounts are derived from FACTS II. OMB will not load CY and BY for many accounts, in which case the lines will be blank.
xxxx–20	**Computed totals:** Computed Totals are the sum of the detail lines below.
xxxx–30	**Pick list placeholders:** MAX displays these lines only in the pick lists for collapsible lines in schedule X. Choose this line number when you want to enter a line with a new BEA category, BEA subcategory and Spending Committee (e.g., authorizing committee) code combination.
xxxx–40	**Policy BA:** MAX copies amounts on these lines to the corresponding policy budget authority lines in schedule A.
88xx–41	**Policy offsetting collections:** MAX copies amounts on these lines to the corresponding policy offsetting collection lines in schedule A.
xxxx–50	**Baseline BA:** MAX copies amounts on these lines to the corresponding baseline pay/non-pay lines in schedule S.
xxxx–61	**Outlays from new authority:** MAX copies amounts on these lines to the lines for policy outlays from new authority in schedule A: lines 9111, 9311 and 980x.
xxxx–62	**Outlays from balances:** MAX copies amounts on these lines to the lines for policy outlays from balances in schedule A: lines 9121, 9321 and 970x.
xxxx–63	**Outlays from end of PY balances:** MAX copies amounts on these lines to the lines for policy outlays from end of PY balances in schedule A and S: lines 9122, 9322 and 982x.
xxxx–64	**Outlay subtotals:** MAX does not copy these outlay subtotal amounts to any other lines.
88xx–71	**Baseline offsetting collections:** MAX copies amounts on these lines to the corresponding lines for baseline offsetting collections in schedule S.

Setting Up Outlay Calculations

You can enter multiple outlay rates for an account and show different programs on separate BA lines even if the rates are the same. To do this, use multiple line sequence numbers (01, 02, 03, etc.). MAX will generate separate outlay data that corresponds to each BA line. In schedule X, MAX displays BA and corresponding outlays together. In schedules A and S, MAX displays them according to schedule line number (i.e., BA is grouped at the top, by type and outlays are at the bottom, by type).

	PY	CY	BY	BY+1	BY+2	BY+3	BY+4	BY+5
4300 Appropriations (total)								
Discretionary, Regular								
01 Program A **OL Rates		8,098	8,341	8,600	8,866	9,141	9,424	9,820

Estimates for BY+6 through BY+9 can be viewed by scrolling across the MAX screen.

Outlay rates entered for line 4300 01. Outlay rates are entered from the EDIT SETUP OUTLAY CALCULATION menu.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CY Rates:[1]	10.00	10.00	10.00	10.00	10.00	10.00
BY Rates:[1]	10.00	10.00	10.00	10.00	10.00	10.00
	Year 7	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Total[2]**
CY Rates:	10.00	10.00	10.00	10.00	---	100.00
BY Rates:	10.00	10.00	10.00	10.00	---	100.00

	PY	CY	BY	BY+1	BY+2	BY+3	BY+4	BY+5
4300 Appropriations (total)								
Discretionary, Regular								
02 Program B **OL Rates**		23,296	24,438	25,464	26,533	27,648	28,809	30,019

Estimates for BY+6 through BY+9 can be viewed by scrolling across the MAX screen.

Outlay rates entered for line 4300 02. Outlay rates are entered from the EDIT SETUP OUTLAY CALCULATION menu.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CY Rates:	85.00	15.00	---	---	---	---
BY Rates:	85.00	15.00	---	---	---	---
	Year 7	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Total[2]**
CY Rates:	---	---	---	---	---	100.00
BY Rates:	---	---	---	---	---	100.00

[1] Enter the outlay rates for the budgetary resources provided in the current and budget years. For CY rates, Year 1 represents CY, Year 2 represents BY, etc. For BY rates, Year 1 represents BY, Year 2 represents BY+1, etc.

[2] Outlay rates should total 100 percent unless the budget authority does not spend out within 11 years. MAX generates an error message if the total exceeds 100 percent.

Automatic Generation of Discretionary Outlays

To generate outlays automatically, enter discretionary budgetary resources, outlay rates and outlays from end of PY balances.

On line 9111, MAX calculates outlays using the first year outlay rate for new discretionary budget authority (line 4300) reported for the year.

BA, Limitation and Outlays---Policy A	PY	CY	BY	BY+1	BY+2	BY+3	BY+4	BY+5	BY+6	BY+7	BY+8	BY+9
4300 01 751 Appropriation Discretionary **OL Rates**..…………………	40	45	50	50	50	50	50	50	50	50	50	50
9111 751 Outlays from new authority discretionary……………………	8	9	10	10	10	10	10	10	10	10	10	10
9121 751 Outlays from balances discretionary……………………	14	14	22	34	39	33	40	40	40	40	40	40
Line 9121 is comprised of:												
Outlays from end of PY balances	n/a	14.0	6.0	12.0								
Spendout of CY balances……..			15.8	6.8	13.5							
Spendout of BY balances……..				15.0	10.0	7.5	7.5					
Spendout of BY+1 balances…..					15.0	10.0	7.5	7.5				
Spendout of BY+2 balances…..						15.0	10.0	7.5	7.5			
Spendout of BY+3 balances…..							15.0	10.0	7.5	7.5		
Spendout of BY+4 balances…..								15.0	10.0	7.5	7.5	
Spendout of BY+5 balances…..									15.0	10.0	7.5	7.5
Spendout of BY+6 balances….										15.0	10.0	7.5
Spendout of BY+7 balances…..											15.0	10.0
Spendout of BY+8 balances…..												15.0
9122 751 Outlays from end of PY balances discretionary………………….		14	6	12								

In CY, these two amounts will always be the same.

Outlays from balances equal outlays from end of PY balances in BY+1 plus third year spendout of CY balances plus second year spendout from BY balances. Outlays from balances in other years are calculated by MAX in a similar manner.

The shaded portion of this exhibit displays calculations needed to generate outlays from balances. While not visible on this MAX screen, the calculations can be reviewed by selecting "View," "Outlay Calculations" from the pull down menu. (Although displayed in a different format in MAX, the method of calculation is the same.)

Assumption:	Year 1	Year 2	Year 3	Year 4	Year 5	Total
CY outlay rates..	20.00	35.00	15.00	30.00		100
BY outlay rates..	20.00	30.00	20.00	15.00	15	100

Note.--MAX applies the BY outlay rates to budget authority for BY and beyond.

To enter CY and BY outlay rates, select "Edit," "Setup Outlay Calculations" from the pull down menu (see exhibits 81A).

SECTION 82—PROGRAM AND FINANCING (SCHEDULE P)

Table of Contents

Summary of Changes

Adds entries for reporting adjustments in foreign exchange valuation for the Exchange Stabilization Fund and limitations on obligations for the Transportation trust funds (sections 82.3 and 82.7).

Requires additional lines to tie to amounts reported in FACTS II (section 82.15).

82.1 What is the purpose of the program and financing schedule and how is it organized?

This Appendix schedule presents information on agency programs, the allocation of budgetary resources by activity, the status of those resources, and spending patterns. It is used to:

- Analyze and evaluate the estimates;
- Compare enacted funding levels to the President's request;
- Relate budget formulation to budget execution (estimates to actuals); and
- Identify programmatic and historical trends.

The schedule covers PY through BY, except Defense agencies must also report on BY+1 in the years they are required to submit a biennial budget request. MAX generates schedule P from data that you enter into schedule X and into Treasury systems for preparation of the Treasury Combined Statement.

The MAX system automatically generates totals and subtotals, start of year balances, and selected other entries, including net outlays for the past year. In most cases, you will not be able to override the generated amounts. Section 79 describes the MAX budget system, and the MAX A–11 User's Guide provides detailed information on the system.

Schedule P consists of the following parts:

- Obligations by program activity (section 82.2).
- Budgetary resources available for obligation (section 82.3).
- New budget authority (gross), detail (section 82.3).
- Change in obligated balances (section 82.4).
- Outlays (gross), detail (section 82.5).
- Offsets to gross budget authority and outlays (section 82.6).
- Net budget authority and outlays (section 82.6).
- Memorandum (non-add) entries (section 82.7).

82.2 How do I report obligations by program activity?

Schedule P shows the activities or projects financed by the account and the amount of budgetary resources required to finance these activities and projects. It presents the new obligations estimated to be incurred for each activity (see section 20.5 for instructions on when to record obligations). In some cases, schedule P also contains non-add performance activities within a program activity. See paragraph (e) below for additional information on performance activities.

(a) *Selecting program activities.*

Use activities that provide a constructive basis for analyzing and evaluating the estimates. Keep the number of activities to a reasonable minimum without sacrificing clarity. Do not use subactivities (such as projects or recipient institutions), unless the amounts are significant and the breakdown necessary to provide full understanding. The activities should:

- Clearly indicate the services to be performed or the programs to be conducted;
- Finance no more than one strategic goal or objective;
- Distinguish investment, developmental, grant and subsidy, and operating programs; and,
- Relate to administrative control and operation of the agency.

Unless otherwise noted, you must:

- Distinguish direct obligations from reimbursable programs; and,
- Have adequate accounting support for obligations shown in the actual column.

Having adequate accounting support means that your agency's financial system records obligations in a way that allows you to create a straight-forward cross-walk between the projects or limitations in the financial system and schedule P program activities. Typically, you will have many projects or limitations in your financial systems that correspond to one schedule P activity.

When a PART program corresponds to a schedule P program activity, you should indicate in the narrative statement that the schedule P activity has been evaluated with the PART.

In those cases when a PART program fits within a budget account, but is not currently a schedule P program activity, you are encouraged to modify the program activity section so that the PART program becomes a discrete schedule P activity.

Obtain approval for any changes in activity structure from OMB prior to your budget submission.

(b) *Allocating expenses to activities.*

Charge personnel compensation to activities on the basis of organizational units or on the basis of specific assignments. When feasible, distribute other administrative and overhead expenses among activities. However, you must be able to readily separate these overhead expenses from other charges. If you need to distribute amounts between two or more activities, base the distribution on readily supportable factors. Be consistent from year to year, and do not rely on overly detailed procedures.

Do not report adjustments to obligations in expired accounts in this part of schedule P. Report them under changes in obligated balances, on line 7340 (see section 82.4). For the regular budget schedules (transmittal code 0), you must report all obligations as positive amounts.

(c) *Reimbursable programs.*

If your account includes reimbursable obligations (see section 20.5), show the obligations financed by reimbursements separately from direct obligations. Use the side headings "Direct program" and "Reimbursable program" to distinguish between the two types of obligations. List activities under each side heading if the amounts are significant or add to the understanding of the program. If the same activities are conducted on both a direct and reimbursable basis, you may list the same entries in both sections.

Report all the obligations in non-credit revolving fund accounts as reimbursable; report all the obligations in credit program and liquidating accounts as direct. The amounts you report for direct and reimbursable programs in schedules P and O must tie.

(d) *Program activity codes.*

Program activity codes are unique to each account and have no relationship to the codes shown in other schedules, except for credit programs (as described below). Use the four-digit line numbering scheme described in the following table to code the activities and subactivities listed in schedule P.

(e) *Performance activities.*

When you know the level of funding within a program activity that finances a specific performance metric (e.g., outcomes or outputs), you should show the metric and its obligations on a performance activity line. The obligations for performance activities are non-add entries.

OBLIGATIONS BY PROGRAM ACTIVITY

Entry	Description
All accounts:	
0xxx	The first digit will always be zero (0).
Non-credit programs:	The line codes are unique to each account and have no relationship to information shown in other schedules.
Direct programs:	
0Xxx	For the second digit, use the values 0 through 8 to identify the activity or subactivity group.

Entry	Description
0xXX	For the third and fourth digits, use the values 01 through 89 to identify activity or subactivity detail items. Any number sequence in this range is valid. For subtotals, use the values 91 through 98 as follows: • Xx91—Single activity or subactivity group subtotal • Xx92—Subtotal of two activity or subactivity groups • Xx93—Subtotal of three activity or subactivity groups Use the value 00 for running subtotals (i.e., previous subtotal plus additional activity or subactivity group).
Reimbursable programs:	If coding requirements for reimbursable programs create difficulties in developing the account display, consult with OMB. The second digit will always be 9.
09Xx	For the third digit, use the values 0 through 8; for the fourth digit, use the values 1 through 8 to identify activity or subactivity detail items.
09xX	For subtotals, use the value 9 for the fourth digit as follows: • 0909—Subtotal of activities on lines 0901 through 0908 • 0919—Subtotal of activities on lines 0910 through 0918 • 0929—Subtotal of activities on lines 0920 through 0928 • 0939—Subtotal of activities on lines 0930 through 0938 • 0959—Subtotal of activities on lines 0940 through 0958 Use the value 0999 for reporting total reimbursable obligations when both direct and multiple reimbursable activities are reported.
Credit programs:	Use the following standard line coding scheme for credit programs. See sections 185.11 and 185.12 for more information on requirements related to credit financing and liquidating accounts.
Credit program accounts:	
0001	Direct loan subsidy
0002	Loan guarantee subsidy
0003	Subsidy for modifications of direct loan terms
0004	Subsidy for modifications of loan guarantees
0005	Reestimates of direct loan subsidy
0006	Interest on reestimates of direct loan subsidy
0007	Reestimates of loan guarantees
0008	Interest on reestimates of loan guarantee subsidy
0009	Administrative expenses

Entry	Description
Credit financing accounts:	
0001	Direct obligations or default claim payments
0002	Payment of interest to Treasury
0003–0009	Other obligations
0801	Negative subsidies obligated
0802	Downward reestimates paid to receipt accounts
0803	Adjusting payments to liquidating accounts
0804	Interest on downward reestimates
All accounts:	
1000	Total new obligations. MAX will generate this line from the detail you enter. Equals line 2395, with the opposite sign.

82.3 How do I report the budgetary resources available for obligation?

Schedule P identifies all the budgetary resources available for obligation in the account and provides detailed information on the new budget authority in the account.

(a) *Budgetary resources available for obligation.*

Schedule P tracks the status of budgetary resources available for obligation from the start of the fiscal year to the end of the fiscal year. The resources include unobligated balances carried over from prior years, new budget authority, and adjustments to those amounts (such as transfers of balances to and from other budget accounts and recoveries resulting from downward adjustments of prior year obligations). You deduct new obligations and expiring or withdrawn amounts to arrive at the end-of-year unobligated balances. Do not include expired amounts or amounts unavailable for obligation.

Use the entries in the following table to prepare this section of schedule P. Consult with OMB if you want to modify the standard line titles. MAX will automatically generate the line entries indicated in **boldface**.

BUDGETARY RESOURCES AVAILABLE FOR OBLIGATION

Entry		Description
2140	**Unobligated balance carried forward, start of year**	Unobligated balance of appropriations or other budgetary resources carried forward from the preceding year and available for obligation without new action by Congress. MAX copies CY and BY from the end of year amounts reported on line 2440 for the previous year. Includes uninvested balances and balances invested in Federal securities (par value), adjusted for unrealized discounts (a negative amount). Includes all unobligated balances (appropriations, borrowing authority, contract authority, fund balances) at the start of the year. Does not include any deficiencies reported in the prior year's budget on line 2397 that have been liquidated by an appropriation or spending authority from offsetting collections; expired unobligated balances; or special and trust fund amounts and offsetting collections that are not available

Entry		Description
		for obligation because of provisions of law, such as benefit formulas or limitations on obligations (see section 20.4(f)). For PY, this amount must tie to the PY end of year amounts reported in FACTS II for 2008, including all changes made during the 2008 FACTS II revision window.
2145	Adjustment to unobligated balance carried forward, start of year	Report any changes to the PY start of year balances made after the 2008 FACTS II revision window closed. Use only for PY, unless specifically approved by OMB.
2200	**New budget authority (gross)**	The total amount of gross budget authority. Automatically generated from the sum of the detailed budget authority entries on lines 4000 through 6962. It also equals line 7000.
2210	Resources available from recoveries of prior year obligations Use line 2210 only for PY or CY if recoveries have already occurred prior to transmittal of the budget—unless specifically approved in advance by OMB.	Amount made available for obligation in no-year and *unexpired* multiple-year accounts through recoveries (i.e., deobligation or downward adjustments) of obligations incurred in prior years. Equals line 7345, but with opposite sign. Note: Net recoveries of current year obligations against new obligations for the same year without further identification. Report recoveries of prior year obligations in expired annual and multiple-year accounts on line 7340.
2221	Unobligated balance transferred to other accounts (–) [xx–xxxx]	Amount of unexpired unobligated balance transferred to other accounts that represents an adjustment to the accounts involved and does not involve an obligation or an outlay (see section 20.4(j)). Use only for transfers of balances of prior year resources when the purpose of the funding has not changed (e.g., transfers of activities under reorganization plans) or transfers of balances resulting from general transfer authority. Show transfers of balances of prior year resources that result from legislation that changes the purpose for which the amounts are available as adjustments to budget authority on line 4100. Generally, transfers to other accounts cannot exceed the unobligated balance at the start of the year.
2222	Unobligated balance transferred from other accounts (+) [xx–xxxx]	Amount of unexpired available unobligated balances transferred from other accounts that represents an adjustment to the accounts involved and does not involve an obligation or an outlay (section 20.4(j)). Use only for transfers of balances of prior year resources when the purpose of the funding has not changed (e.g., transfers of activities under reorganization plans) or transfers of balances resulting from general transfer authority. Show transfers of balances of prior year resources that result from legislation that changes the purpose for which the amounts are available as adjustments to budget authority on line 4200. Note: You must identify each account involved in each transfer (gaining and losing) in MAX using the 6–digit Treasury basic account symbol (see section 79.2 and Appendix C).
2230	Expired unobligated balance transfer to unexpired account (+)	Amount of expired unobligated balances transferred into this account as the result of authority to extend the period of availability of expired balances. Do not use for expired balance transfers that are considered to be reappropriations and must be reported as new budget authority (see sections 20.4(h) and 121.10).

Entry		Description
		Also, amount of any expired expenditure transfers receivable transferred from an expired account to an unexpired account. *See lines 5000/6300 for expired balance transfers that are classified as reappropriations.*
2235	Unexpired unobligated balance transfer to expired account (–)	Amount of unexpired unobligated balances transferred out of this account pursuant specific statutory authority (e.g., foreign currency valuations in expired accounts). This line is only to be used by the Department of Defense.
2240	Capital transfer to general fund (–)	Amount of balances deposited to Treasury capital transfer receipt accounts, such as "Earnings of Government-owned enterprises," or "Repayments of capital investment, Government-owned enterprises." Don't include interest payments or capital transfers of offsetting collections received during the year (see lines 5827 and 6927).
2260	Portion applied to repay debt (–)	Amount of balances used for repayment of debt. Do not include appropriations or new offsetting collections used to retire outstanding debt (see lines 4047, 6047, 5847, and 6947).
2270	Balance of borrowing authority withdrawn (–)	Use these entries to report withdrawn unobligated balances of indefinite borrowing or contract authority realized in no-year or multiple year accounts through deobligation or downward adjustments of prior year obligations reported on lines 2210 and 7345. Note: When new appropriations or spending authority from offsetting collections are used to liquidate obligations initially incurred against borrowing authority, report the amounts on lines 6053, 5853, or 6953, as appropriate.
2275	Balance of contract authority withdrawn (–)	
2333	Adjustment for change in allocation	Includes adjustments related to changes in initial allocations of budget authority under limitations in the Social Security Administration and the Department of Health and Human Service. If the initial allocation is increased, enter a positive amount on this line and vice versa. *This line is copied into schedule N.*
2341	Adjustment for change in investments of zero coupon bonds (special and non-revolving trust funds)	Include investments in zero coupon bonds. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation. *Use only for special and non-revolving trust funds.* *This line is copied into schedule N.*
2342	Adjustment for change in investments of zero coupon bonds (revolving funds)	Include investments in zero coupon bonds. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation. *Use only for revolving funds.*

Entry		Description
2343	Adjustment to foreign exchange valuation for Exchange Stabilization Fund	Revaluation of gains and losses on foreign currency and SDR's in the Exchange Stabilization Fund. This line is only to be used by the Department of Treasury.
2390	**Total budgetary resources available for obligation**	Automatically generated from the sum of lines 2140 through 2343, when there are multiple entries on lines 2140 through 2343.
2395	**Total new obligations (–)**	Automatically copied from line 1000, with opposite sign.
2397	Deficiency	Includes only amount of obligations (as of the end of the year) that exceeds the budgetary resources available for obligation or amount of obligations that exceed deferred or withheld pending rescission and requires an appropriation or future offsetting collections to liquidate. Does not include obligations in excess of apportionments, allotments, or other agency subdivisions of funds even though such amounts are reportable as a violation of the Antideficiency Act. Use this entry in the year in which the deficiency is incurred. Also report the deficiency on line 9190 until liquidated. Note: See section 145 for additional reporting requirements on deficiencies.
2398	Unobligated balance expiring or withdrawn (–)	Amount available for obligation during the year that ceased to be available for obligation during the fiscal year (other than amounts rescinded by law). Include expiring unobligated balances (even if they have been reappropriated) and unobligated balances returned to unappropriated receipts. Include unobligated balances of unexpired amounts written off or withdrawn by administrative action. Also, include recoveries of prior year obligations and cash refunds of previously appropriated receipts that are available for a subsequent appropriation and are returned to unappropriated receipts. Do not include cancellation of unobligated balances that expired in prior years. Do not include withdrawals of indefinite contract authority or borrowing authority when obligated balances are liquidated by offsetting collections (see lines 5849, 6949, 5853, and 6953).
2440	**Unobligated balance carried forward, end of year**	Unobligated balance carried forward and available for obligation in the following year. Include uninvested balances and balances invested in Federal securities (par value), adjusted for unrealized discounts (a negative amount). Include all unobligated balances available for obligation (appropriations, borrowing authority, contract authority, fund balances) at the end of the year. Do not include expired unobligated balances. Do not include special and trust fund amounts and offsetting collections that are not available for obligation *because* of provisions of law, such as benefit formulas or limitations on obligations (see section 20.4(f)). Automatically generated from the sum of the detailed entries on lines 2140 through 2398.
Memorandum entries:		
2441	Special and trust fund receipts returned to schedule N (+)	Include amount of expired (e.g. after the last expired year) special and trust fund unobligated balances that become available for subsequent appropriation action. Also, include cash refunds of previously appropriated receipts that are available for a subsequent appropriation and are returned to unappropriated receipts. Exclude amounts permanently cancelled or withdrawn in special or trust

Entry		Description
		funds that are returned to the general fund of the Treasury. *Enter as a positive amount.* *This line is copied into schedule N.*
2451	Expired unobligated balance carried forward, start of year (special and trust funds)	Use this line to report the amount of *expired* special and trust fund unobligated balances that are not included in the unobligated balances reported on line 2140 but must be included in the unexpended balances reported on schedule J line 0100. *Use only for accounts with schedule J (see section 86.3).*
2452	Expired unobligated balance carried forward, end of year (special and trust funds)	Use this line to report the amount of *expired* special and trust fund unobligated balances that are not included in the unobligated balances reported on line 2440 but must be included in the unexpended balances reported on schedule J line 8799. *Use only for accounts with schedule J (see section 86.3).* *This line is copied into schedule J line 8890.*

(b) *New budget authority (gross) detail.*

The entries indicate the type of budget authority (such as appropriations, contract authority, spending authority from offsetting collections) and whether the authority:

- Is discretionary or mandatory; and
- Pertains to a special or trust fund account.

Use separate entries to identify adjustments resulting from transfers, temporary and permanent reductions, capital transfers, repayments of outstanding borrowing, etc.

Discretionary budget authority means budget authority under the jurisdiction of appropriations committees and controlled by annual appropriations acts. It includes spending authority provided in appropriations acts except where such authority funds direct-spending programs, such as appropriated entitlements. Use the appropriate discretionary entries to report budget authority that is classified as *discretionary* under the BEA (see sections 20.4(e) and 81.3).

Mandatory budget authority means budget authority resulting from permanent laws and includes programs the BEA defines as "appropriated entitlements and mandatories." Use the appropriate mandatory entries to report all budget authority that is classified as *mandatory* under the BEA, as well as budget authority that is classified as *net interest*. Also use the appropriate mandatory entries to report budget authority associated with credit financing accounts.

Use the entries in the following table to prepare this section of schedule P. The table is arranged by type of budget authority and shows the applicable discretionary and mandatory entries for each. Consult with OMB if you want to modify the standard line titles. MAX will automatically generate the line entries indicated in **boldface**.

NEW BUDGET AUTHORITY (GROSS), DETAIL

Entry	Discre-tionary	Man-datory	Description
APPROPRIATIONS			
Appropriation	4000	6000	Amount appropriated, estimated, or requested to be appropriated from the General Fund of the U.S. Treasury to general or special funds. Include amounts for liquidation of contract authority, debt reduction, and liquidation of deficiencies, when applicable. For indefinite amounts, the past year amount equals the amount certified by appropriation warrants after being reduced by any excess resources returned to the Treasury. Report the amount of emergency appropriations enacted or requested as discretionary appropriations, including amounts that are contingent on the President submitting a budget request to Congress designating the amount as an emergency.
Appropriation (special fund)	4020	6020	Amount appropriated or requested to be appropriated from special fund receipts. *This line is copied into schedule N.*
Appropriation (trust fund)	4026	6026	Amount appropriated or requested to be appropriated from trust fund receipts. *This line is copied into schedule N.*
Appropriation (previously unavailable)	n/a	6028	For special and trust funds with mandatory appropriations that are precluded from obligation by provisions of law (see the description of line 6045), the amount of budget authority that to expected to become available for obligation pursuant to law from balances of receipts previously unavailable and included in the amounts reported in schedule N (see section 86.4). *Use only with OMB approval*. *This line is copied into schedule N.*
Advance funding:			Advance funding is generally used to finance higher than anticipated costs in benefit programs. *Use only in PY and CY and only with OMB approval.*
Appropriation available from subsequent year	4028	n/a	Portion of the succeeding year's appropriation made available for obligation as advance funding.
Appropriation available in prior year (–)	4029	n/a	Portion of the appropriation made available for obligation as advance funding in the preceding year.
Reductions:			
Appropriation permanently reduced (–)	4035	6035	Amount of (1) account-specific rescissions and cancellations of appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. (See section 82.9 for rescission proposals.)

Entry	Discre-tionary	Man-datory	Description
			Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation.
Unobligated balance permanently reduced (–)	4036	6036	Amount of unobligated balances of prior year budgetary resources that are permanently rescinded or canceled. Do not include rescissions and cancellations of contract authority reported on line 4936 and 6636. When legislation defers existing budget authority (or unobligated balances) from a year in which it was available for obligation to a year in which it was not available for obligation, report the deferred amount as a rescission and show reappropriations in the first year of the extended availability. *Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation.*
Appropriation temporarily reduced (–)	4037	6037	Amount of (1) account-specific rescissions and cancellations of appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts.
Use line 4037/6037 only for special and non-revolving trust funds in PY and CY.			(See section 82.9 for rescission proposals.) *This line is copied into schedule N.* *Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts.*
Unobligated balance temporarily reduced (–)	4038	6038	Amount of rescissions and cancellations of unobligated balances of prior year budgetary resources excluding offsetting collections. *This line is copied into schedule N.* *Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts. Use only for special and non-revolving trust funds in PY and CY.*
Portion precluded from obligation (–)	4045	6045	For special and trust funds with mandatory appropriations, amount precluded from obligation in a fiscal year by a provision of law (such as a limitation on obligations or a benefit formula). This amount is treated as a balance of unavailable budgetary resources (see the description of line 6028). *Use only with OMB approval.* For special funds that receive discretionary general fund appropriations, use to report amounts precluded from obligation in a fiscal year by a provision of law (such as limitations on obligations). *Use only with OMB approval.* *This line is copied into schedule N.*
Adjustments:			Use the following lines only if the appropriations language specifies that the appropriations are for these purposes:

Entry	Discre-tionary	Man-datory	Description
Portion applied to repay debt (–)	4047	6047	Amount of appropriations used to repay debt.
Portion applied to liquidate deficiencies (–)	4048	6048	Amount of appropriations used to eliminate a deficiency incurred in a previous year.
Portion applied to liquidate contract authority (–)	4049	6049	Amount of appropriations used to liquidate contract authority.
Portion of appropriation to liquidate contract authority withdrawn (–)	4050	n/a	Amount of excess appropriations to liquidate contract authority withdrawn. *Use only in PY or CY and only with OMB approval.*
Portion substituted for borrowing authority (–)	4053	6053	Amount of appropriations used to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised.
Transfers:			
Transferred to other accounts (–) [xx–xxxx]	4100	6100	Amount transferred to another account in the same year the authority becomes available for obligation when the transfer does not involve an obligation or an outlay. Use this line to show adjustments in budget authority resulting from: • Transfers under reorganization plans; • Transfers authorized by Congress in lieu of appropriations; or • Transfers where the purpose of the funding has changed. Also use for transfers of unobligated balances that result from legislation that changes the purpose for which the balances are available. (Show transfers of balances for which the purpose has not changed or resulting from general transfer authority on line 2221.) For transfers from mandatory to discretionary accounts pursuant to proposed appropriations law, show the transfer on line 4100 in the losing account, using the BEA classification for a discretionary, modification of a mandatory account and on line 4200 in the receiving account, using the appropriate BEA classification for that account. However, if the losing account is an *entitlement program*, report the transfer on line 6100 in the losing account and on line 4200 in the receiving account, using the appropriate BEA classifications for the respective accounts. For transfers from mandatory accounts to discretionary accounts pursuant to existing law (generally in PY and CY), show the transfer on line 6100 in the losing account and on line 4200 in the receiving account, using the appropriate BEA classifications for the respective accounts. Consult your OMB representative about suppressing any MAX error messages that occur.
Transferred from other accounts (+) [xx–xxxx]	4200	6200	Amount transferred from other accounts in the same year the authority becomes available for obligation when the

Entry	Discre-tionary	Man-datory	Description
			transfer does not involve an obligation or an outlay. Use this line to show adjustments in budget authority resulting from: • Transfers under reorganization plans; • Transfers authorized by Congress in lieu of appropriations; or • Transfers where the purpose of the funding has changed. Also use for transfers of unobligated balances that result from legislation that changes the purpose for which the balances are available. (Show transfers of balances for which the purpose has not changed or transfers of balances resulting from general transfer authority on line 2222.) For transfers from mandatory accounts to discretionary accounts, see the guidance under lines 4100/6100. Identify each account involved in each transfer (gaining and losing) in MAX using the 6–digit Treasury basic account symbol (see section 79.2 and Appendix C).
Appropriation (total)	**4300**	**6250**	Automatically generated from the sum of lines 4000 through 4200, when there are multiple entries on these lines. Automatically generated from the sum of lines 6000 through 6200, when there are multiple entries on these lines.
BORROWING AUTHORITY			
Borrowing authority	4700	6710	Amount of new authority authorized or requested to be authorized to be expended from moneys derived from borrowing from the Treasury or from investors other than Treasury. To the extent that indefinite borrowing authority is used to cover obligations, report borrowing authority for all such obligations even though subsequent appropriations or offsetting collections will ultimately be used to liquidate the obligations. For indefinite borrowing authority, record the amount that you obligated in the past year or estimate you will obligate in CY and BY.
Borrowing authority (12 U.S.C. 2281–96)	n/a	6716	Amount of borrowing authority for direct loan obligations from the Federal Financing Bank. *Use only for liquidating accounts*.
Borrowing authority permanently reduced (–)	4735	6735	Amount of (1) account-specific rescissions and cancellations of borrowing. Report permanent rescissions and cancellations of unobligated balances of borrowing authority on line 4036 (discretionary) or line 6036 (mandatory). *Amounts are not available for subsequent appropriation. Use only in PY and CY.*

Entry	Discre-tionary	Man-datory	Description
Borrowing authority (total)	**4790**	**6790**	Automatically generated from the sum of lines 4700 through 4735, when there are multiple entries on these lines. Automatically generated from the sum of lines 6710 through 6735, when there are multiple entries on these lines.
CONTRACT AUTHORITY			
Contract authority	4900	6610	Amount of new authority to incur obligations in advance of collections or an appropriation to liquidate contract authority. For indefinite contract authority, record the amount that you obligated in the past year or estimate you will obligate in CY and BY.
Contract authority permanently reduced (–) Unobligated balance permanently reduced (–)	4935 4936	6635 6636	Amount of (1) account-specific rescissions and cancellations of contract authority and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. *Amounts are not available for subsequent appropriation. Use only in PY and CY.*
Portion precluded from obligation (limitation on obligations) (–)	4945	n/a	Amount of contract authority precluded from obligation in a fiscal year by a limitation on obligations. *Use only with OMB approval.*
Transferred to other accounts (–) [xx–xxxx]	n/a	6661	Amount of contract authority transferred to other accounts.
Transferred from other accounts (+) [xx–xxxx]	n/a	6662	Amount of contract authority transferred from other accounts. Note: You must identify each account involved in each transfer (gaining and losing) in MAX using the 6–digit Treasury basic account symbol (see section 79.2 and Appendix C).
Contract authority (total)	**4990**	**6690**	Automatically generated from the sum of lines 4900 through 4945, when there are multiple entries on these lines. Automatically generated from the sum of lines 6610 through 6662, when there are multiple entries on these lines.
REAPPROPRIATIONS			
Reappropriation	5000	6300	Amount of new budget authority resulting from legislation enacted after the law that provided the budget authority and that extends the period of availability of funds that have expired or would otherwise expire. Such extensions of availability are counted as new budget authority in the first year of the extended availability (see sections 20.4(h) and 121.10).

Entry	Discre-tionary	Man-datory	Description
			Use line 2230 for expired unobligated balance transfers that are not reported as new budget authority.
Reappropriation permanently reduced (–)	5035	6335	Amount of (1) account-specific rescissions and cancellations of reappropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Report permanent rescissions and cancellations of unobligated balances on line 4036 (discretionary) or line 6036 (mandatory). *Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation. Use only in PY and CY.*
Reappropriation (total)	**5300**	**6390**	Automatically generated from the sum of lines 5000 through 5035, when there are multiple entries on these lines. Automatically generated from the sum of lines 6300 through 6335, when there are multiple entries on these lines.
ADVANCE APPROPRIATIONS			
Advance appropriation	5500	6500	Amounts provided in appropriation acts that become available for obligation one fiscal year or more beyond the fiscal year for which the legislation is enacted. Report amount in the year in which it first becomes available for obligation. Use line 6500 for advance appropriations of mandatory budget authority in appropriations acts. *Lines 5520, 5526 and 6526 are copied into schedule N.*
Advance appropriation (special fund)	5520	n/a	
Advance appropriation (trust fund)	5526	6526	
Advance appropriation permanently reduced (–)	5535	6535	Amount of (1) account-specific rescissions and cancellations of advance appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Report permanent rescissions and cancellations of unobligated balances on line 4036 (discretionary) or line 6036 (mandatory). *Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation. Use only in PY and CY.*
Advance appropriation temporarily reduced (–)	5537	6537	Amount of (1) account-specific rescissions and cancellations of advance appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive

Entry	Discre-tionary	Man-datory	Description
			Branch official is authorized to distribute the reduction to affected accounts.
Use line 5537/6537 only for special and non-revolving trust funds in PY and CY.			Report temporary rescissions and cancellations of unobligated balances on line 4038 (discretionary) or line 6038 (mandatory).
			This line is copied into schedule N.
			Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts.
Advance appropriation (total)	**5590**	**6590**	Automatically generated from the sum of lines 5500 through 5537, when there are multiple entries on these lines.
			Automatically generated from the sum of lines 6500 through 6537, when there are multiple entries on these lines.
SPENDING AUTHORITY FROM OFFSETTING COLLECTIONS			As a general rule, you classify spending authority from offsetting collections as discretionary for accounts classified as discretionary by the BEA and as mandatory for accounts classified as mandatory under the BEA.
Offsetting collections (cash)	5800	6900	*For unexpired accounts only:*
			Amount of offsetting collections (cash) credited to the account and refunds that pertain to obligations recorded in prior fiscal years.
Change in uncollected customer payments from Federal sources (unexpired)	5810	6910	*For unexpired accounts only:*
			Amount of increase (+) or decrease (–) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year. The amounts reported on these lines are added and automatically copied to line 7400, but with the opposite sign, and line 8895.
Offsetting collections (previously unavailable)	5826	6926	For accounts with limitations on the use of offsetting collections, unappropriated or temporarily reduced, the amount of budget authority that is expected to become available for obligation pursuant to law from unavailable balances of offsetting collections.
Adjustments:			
Capital transfer to general fund (–)	5827	6927	Amount of offsetting collections deposited to Treasury receipt accounts for "Earnings of Government-owned enterprises," or "Repayments of capital investment, Government-owned enterprises." Do not include interest payments. *Primarily used by revolving funds; however, may be used by other accounts with OMB approval.*
Portion applied to liquidate deficiencies (–)	5833	6933	Amount of offsetting collections used to eliminate a deficiency incurred in a previous year.
Offsetting collections permanently reduced (–)	5835		Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account,

Entry	Discre-tionary	Man-datory	Description
			and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. *Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation. Use only in PY and CY.*
Offsetting collections temporarily reduced (–)	5837	6937	Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. *Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Use only in PY and CY.*
Unobligated balance temporarily reduced (–)	5838	6938	Amount of rescissions and cancellations of unobligated balances of prior year offsetting collections. *Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Use only in PY and CY.*
Portion precluded from obligation (limitation on obligations) (–)	5845	6945	Amount of offsetting collections credited to the account that is not available for obligation because of limitations on program level in appropriations acts or is not yet appropriated.
Portion applied to repay debt (–)	5847	6947	Amount of offsetting collections used for repayments of debt outstanding.
Portion applied to liquidate contract authority (–)	5849	6949	Amount of offsetting collections used to liquidate contract authority. Include portion of spending authority from offsetting collections used to replace the contact authority initially obligated against.
Portion substituted for borrowing authority (–)	5853	6953	Amount of offsetting collections used to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised.
Transfers:			
Transferred to other accounts (–) [xx–xxxx]	5861	6961	Amount transferred to another account in the same year the authority becomes available for obligation when the transfer is treated as an adjustment in budget authority to the accounts and does not involve an obligation or outlay (see the description of line 4100 for more information). Transfers of balances should be reported on lines 2221 or 7331, as appropriate. Although the spending authority is transferred to another account, the offsetting collection will be credited to the account that initially received the collection on line 88xx.
Transferred from other accounts (+) [xx–xxxx]	5862	6962	Amount transferred from other accounts in the same year the authority becomes available for obligation when the transfer is treated as an adjustment in budget authority to the accounts and does not involve an obligation or outlay (see the description of line 4200 for more information). Transfers of balances should be reported on lines 2222 or

Entry	Discre-tionary	Man-datory	Description
			7332, as appropriate. Although the spending authority is transferred from another account, the offsetting collection will be credited to the account that initially received the collection on line 88xx. Note: You must identify each account involved in each transfer (gaining and losing) in MAX using the 6–digit Treasury basic account symbol (see section 79.2 and Appendix C).
Spending authority from offsetting collections (total)	**5890**	**6990**	Automatically generated from the sum of lines 5800 through 5862, when there are multiple entries on these lines. Automatically generated from the sum of lines 6900 through 6962, when there are multiple entries on these lines.
Total new budget authority (gross)	**7000**	**7000**	Automatically generated from the sum of combined total of mandatory and discretionary budget authority (lines 4000 through 6990) when more than one type is used. It also equals line 2200.

(c) *Financing obligations and adjustments.*

As a general rule, if unobligated balances from prior years and new budget authority are commingled in an account, charge new obligations against unobligated balances brought forward before charging against new budget authority. Similarly, charge capital transfers, redemption of debt, and liquidating of contract authority against unobligated balances before new budget authority.

82.4 How do I report obligated balances?

Schedule P bridges between start and end of year obligated balances. New obligations are added to the start of year balance, and gross outlays are deducted. Adjustments, such as transfers of obligated balances and the change in uncollected customer payments from Federal sources (both unexpired and expired), are added or subtracted, as appropriate, to determine the obligated balance at the end of the year. In addition to reporting transactions in unexpired accounts, reflect outlays from and adjustments in expired (but not canceled) accounts.

Unpaid obligations and uncollected customer payments from Federal sources are included in the obligated balance and are not separately identified.

Use the entries in the following table to prepare this section of schedule P. Consult with OMB if you want to modify the standard line titles. MAX will automatically generate the line entries indicated in **boldface**.

CHANGE IN OBLIGATED BALANCES

Entry		Description
7240	**Obligated balance, start of year**	Unpaid obligations (i.e., accounts payable plus undelivered orders) minus uncollected customer payments from other Federal Government accounts (i.e., accounts receivable and unpaid, unfilled orders) carried forward from the preceding

Entry		Description
		year. MAX copies CY and BY from the end of year amounts reported on line 7440 for the previous year. Include uninvested balances; balances invested in Federal securities (par value), adjusted for unrealized discounts (a negative amount); and amounts obligated against contract authority. For PY, this amount must tie to the PY end of year amounts reported in FACTS II for 2008 including all changes made during the 2008 FACTS II revision window.
7245	Adjustment to obligated balance carried forward, start of year	Report any changes to the PY start of year balances made after the 2008 FACTS II revision window closed. Use only for PY, unless specifically approved by OMB.
7310	**Total new obligations**	Automatically copied from line 1000.
7320	**Total outlays (gross) (–)**	Total disbursements made by the account. Automatically generated from the sum of the amounts on lines 8690 through 8698, with opposite sign.
7331	Obligated balance transferred to other accounts (–) [xx–xxxx]	Amount of unpaid obligations net of uncollected customer payments transferred to other accounts.
7332	Obligated balance transferred from other accounts (+) [xx–xxxx]	Amount of unpaid obligations net of uncollected customer payments transferred from other accounts. Note: You must identify each account involved in each transfer (gaining and losing) in MAX using the 6–digit Treasury basic account symbol (see section 79.2 and Appendix C).
7340	Adjustments in expired accounts (net)	Net amount of upward (+) or downward adjustments (–) in obligations in accounts that *expired* prior to the beginning of the fiscal year. Use only for PY, unless specifically approved by OMB.
7345	**Recoveries of prior year obligations (–)**	Amount made available for obligation in no-year and *unexpired* multiple-year accounts through recoveries (i.e., deobligation or downward adjustments) of obligations incurred in prior years. Automatically copied from line 2210, but with the opposite sign.
7400	**Change in uncollected customer payments from Federal sources (unexpired)**	*For unexpired accounts only:* Amount of increase (–) or decrease (+) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year. Automatically generated from the sum of the amounts on lines 5810 and 6910, but with the opposite sign.
7410	Change in uncollected customer payments from Federal sources (expired)	*For expired accounts only:* Amount of increase (–) or decrease (+) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year.
7440	**Obligated balance, end of year**	Unpaid obligations (i.e., accounts payable plus undelivered orders) minus uncollected customer payments from other Federal Government accounts (i.e., accounts receivable and unpaid, unfilled orders) carried forward in the following year. Include uninvested balances; balances invested in Federal securities (par value), adjusted for unrealized discounts (a

Entry	Description
	negative amount); and amounts obligated against contract authority. Automatically generated from the sum of the detailed entries on lines 7240 through 7410.

82.5 How do I report outlays?

Schedule P shows the account's gross outlays distributed on the basis of the type of budget authority that financed the outlay. This part presents separately outlays from discretionary and mandatory budget authority and outlays from new authority and carryover balances.

OUTLAYS (GROSS), DETAIL

Entry		Description
8690	**Outlays from new discretionary authority**	MAX calculates these entries based on the outlays reported in schedule X on lines XXXX-62 and XXXX-63. You should not use these lines for credit financing accounts.
8693	**Outlays from discretionary balances**	
8697	**Outlays from new mandatory authority**	
8698	**Outlays from mandatory balances**	
8700	**Total outlays (gross)**	Automatically generated from the sum of the amounts on lines 8690 through 8698, when multiple lines 8690–8698 are reported.

82.6 How do I show net budget authority and outlays?

Schedule P shows the offsets used to arrive at net budget authority and outlays for the account. Gross outlays are reduced by cash collections (both unexpired and expired). Gross budget authority is reduced by cash collections (unexpired only) *and* orders from Federal sources that are not accompanied by cash.

The *offsets* part of schedule P indicates the source of the offsetting collections (e.g., Federal sources, interest on Federal securities, non-Federal sources).
The change in uncollected customer payments from Federal sources from the start to the end of the year is deducted from gross budget authority only. Increases in uncollected customer payments from the start to the end of the year increase the amount of the offset because the increase constitutes an increase in gross budget authority; decreases reduce the amount of the offset because a decrease means that a portion of the offsetting collections (cash) received has been applied to liquidate obligations for which an offset was already counted. Only unexpired offsetting collections (cash) are offset from gross budget authority because gross budget authority includes only unexpired amounts.
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Use the entries in the following table to prepare this section of schedule P. MAX will automatically generate the line entries indicated in **boldface**. Consult with OMB if you want to modify the standard line titles. See special line title requirements below for lines 8840 and 8845.

OFFSETS

Entry	Description
Against gross budget authority and outlays:	
Offsetting collections (cash) from:	Amount of cash credited to the account. (Includes refunds that pertain to obligations recorded in prior fiscal years, as long as the account has not been canceled.) Identify the source of the payment (see the descriptions below). Use subentries when there are significant amounts of different types of income, such as insurance premiums, loan repayments, interest, fees, etc. Note: Amounts for lines 8800 through 8890 under transmittal code 0 should be reported as positive amounts in MAX, but will appear in the Budget Appendix with the opposite sign.
8800 Federal sources	Amount from other Federal Government accounts except interest received from investments in Federal securities and interest on uninvested funds. Do not include orders and contracts that are valid obligations of ordering accounts that are not accompanied by advances. Include collections from general, special, trust, revolving, and management fund accounts. Also include collections from off-budget Federal entities.
8820 Interest on Federal securities	Amount of interest on investments in marketable and nonmarketable Federal securities. Use for general and revolving fund accounts only. Include amount of amortized discount for investments in zero coupon bonds. Include amount of inflation compensation for investments in Treasury inflation indexed securities.
8825 Interest on uninvested funds	Amount of interest from Federal securities on balances not invested in marketable and nonmarketable Treasury securities.
8840 Non-Federal sources	Amount received from non-Federal sources as a result of business-type transactions (e.g., repayments of loan principal, interest on outstanding loans, user charges) and amount of orders received from non-Federal sources that are accompanied by advances. Report collections that arise from the Government's sovereign or governmental powers on line 8845. Use line titles to identify separately the primary sources of collections. Small amounts may be aggregated. See exhibits 185C, 185F and 185I.
8845 Offsetting governmental collections (from non-Federal sources)	Amount received from non-Federal sources that are governmental in nature (e.g., tax receipts, regulatory fees, compulsory user charges, custom duties, license fees) but required by law to be credited to the account (see section 20.7(d)). Use line titles to identify separately the primary sources of collections.
8890 Total offsetting collections (cash)	Automatically generated from the sum of lines 8800 through 8845, when there are multiple entries on these lines.
Against gross budget authority only:	
8895 Change in uncollected customer payments from Federal sources	Amount of increase (+) or decrease (–) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal

Entry		Description
	(unexpired)	sources from the start of year to the end of year. Automatically generated from the sum of amounts on lines 5810 and 6910. Amount will appear in the Budget Appendix with the opposite sign compared to what you enter in MAX.
8896	**Portion of offsetting collections (cash) credited to expired accounts**	Amount of offsetting collections (cash) and refunds that pertain to an account that has expired but is not yet canceled (see section 20.10). Automatically generated from the sum of amounts on lines 5800 and 6900 minus the amount on lines 8800 through 8845. Amount will appear in the Budget Appendix with the opposite sign compared to what you enter in MAX.

NET BUDGET AUTHORITY AND OUTLAYS

Entry		Description
8900	**Budget authority (net)**	Automatically generated from the total new budget authority (gross) on line 2200 minus the amounts on lines 8800 through 8845 and on lines 8895 and 8896. This line will always be used, even if the amount is zero.
9000	**Outlays**	Automatically generated from the total outlays (gross) on lines 8690 through 8698 minus the amounts on lines 8800 through 8845. This line will always be used, even if the amount is zero.

82.7 What additional information must I report on schedule P?

Schedule P displays supplementary information related to obligations in excess of available budgetary resources; investments in Federal securities; and balances of contract authority. The amounts are not added or deducted from the budget authority or outlay amounts reported above. Use the entries in the following table to prepare this section of schedule P. MAX will automatically generate the line entries indicated in **boldface**. Consult with OMB if you want to modify the standard line titles.

MEMORANDUM (NON-ADD) ENTRIES

Entry		Description
9190	Unpaid obligations, end of year: Deficiency	Amount of obligations included in unpaid obligations, end of year that exceeded the resources available when the obligations were incurred and will require an appropriation or offsetting collections to liquidate the deficiency. For any year, the amount will equal the amount reported on this line in the previous year, plus any amount on line 2397, minus amounts on lines 4048, 6048, 5833, and 6933 plus or minus any revisions to the amount reported in the previous year. (These revisions are not reflected on schedule P.) Note: See section *145* for additional reporting requirements on deficiencies.
Investments in Federal securities:		*Report the par value of Federal securities; do not reflect unrealized discounts. Include all the balances invested at the start of the year, including those that are not available for*

Entry		Description
		obligation, i.e., those reported in the schedule on special and trust fund receipts (MAX schedule N). If a special or trust fund has multiple expenditure accounts, report the invested portion of the unavailable collections in schedule P of the account that receives the largest appropriation from the fund.
9201	**Total investments, start of year: Federal securities: Par value**	Amount of start of year balances that have been invested in Federal securities, brought forward from the end of the preceding year. MAX copies CY and BY from the end of year amounts reported on line 9202 for the previous year.
9202	Total investments, end of year: Federal securities: Par value	Amount of end of year balances that have been invested in Federal securities.
Investments in non-Federal securities:		*Report the market value of non-Federal securities. Include all the balances invested at the start of the year, including those that are not available for obligation, i.e., those reported in the schedule on special and trust fund receipts (MAX schedule N). Include changes in the value of the account's portfolio due to purchases, sales, and market conditions.*
9203	**Total investments, start of year: non-Federal securities: Market value**	Amount of start of year balances that have been invested in non-Federal securities, brought forward from the end of the preceding year. MAX copies CY and BY from the end of year amounts reported on line 9204 for the previous year.
9204	Total investments, end of year: non-Federal securities: Market value	Amount of end of year balances that have been invested in non-Federal securities.
Contract authority:		*Contract authority is unfunded. When appropriation or offsetting collections are provided to liquidate contract authority, the amounts are no longer considered to be contract authority, and the balance should no longer be included as contract authority.*
9301	**Unobligated balance, start of year: Contract authority**	Unobligated balance of unfunded contract authority at the beginning of the year. Excludes contract authority for which spending authority from offsetting collections or appropriations to liquidate are not provided or requested. Cannot exceed the amount on line 2140 of the program and financing schedule. MAX copies CY and BY from the end of year amounts reported on line 9302 for the previous year.
9302	Unobligated balance, end of year: Contract authority	Unobligated balance of unfunded contract authority at the end of the year. Cannot exceed the amount on line 2440 of the program and financing schedule.
9303	**Obligated balance, start of year: Contract authority**	Obligated balance of unfunded contract authority at the beginning of the year. Excludes contract authority for which spending authority from offsetting collections or appropriations to liquidate are not provided or requested. Cannot exceed the amount on line 7240 of the program and financing schedule. MAX copies CY and BY from the end of year amounts reported on line 9304 for the previous year.
9304	Obligated balance, end of year: Contract authority	Obligated balance of unfunded contract authority at the end of the year. Cannot exceed the amount on line 7440 of the program and financing schedule.
9305	**Fund balance in excess of liquidating requirements, start of year: Contract authority**	Amount of appropriation to liquidate contact authority in excess of ability to incur obligations at the beginning of the year (either because the appropriation exceeds the contract authority

Entry		Description
		available for obligation or the limitation on obligations). MAX copies CY and BY from the end of year amounts reported on line 9306 for the previous year.
9306	Fund balance in excess of liquidating requirements, end of year: Contract authority	Amount of appropriation to liquidate contact authority in excess of ability to incur obligations at the end of the year (either because the appropriation exceeds the contract authority available for obligation or the limitation on obligations).
9307	Limitation on obligations (Transportation trust funds)	Limitations on program levels that are enacted or proposed for the Department of Transportation non-revolving trust funds. Automatically copied from schedule X/A line 700x for PY through BY.
Unavailable offsetting collections:		*The amount of offsetting collections that was previously precluded from obligation, unappropriated, or temporarily reduced but has not yet become budget authority available for obligation. Does not apply to special and non-revolving trust funds.*
9401	**Unavailable balance, start of year: Offsetting collections**	Unavailable balance of offsetting collections at the beginning of the year. MAX copies CY and BY from the end of year amounts reported on line 9402 for the previous year.
9402	Unavailable balance, end of year: Offsetting collections	Unavailable balance of offsetting collections at the end of the year. Automatically generated by subtracting the sum of the detailed entries on lines 5826, 5837, 5838, 5845, 6926, 6937, 6938, and 6945 from the amount on line 9401.
Discretionary mandated transfers:		*The amount of discretionary transfers mandated by law.*
9411	Transferred to other accounts (–) [xx–xxxx]	Amount transferred to another account in the same year the authority becomes available for obligation when the transfer does not involve an obligation or an outlay. The line represents the discretionary transfers mandated by law included in line 4100. In exceptional cases, this line may represent the discretionary transfers mandated by law included in line 2221. *Only used in PY. For agencies with enacted appropriations, also use for CY.*
9412	Transferred from other accounts (+) [xx–xxxx]	Amount transferred to another account in the same year the authority becomes available for obligation when the transfer does not involve an obligation or an outlay. The line represents the discretionary transfers mandated by law included in line 4200. In exceptional cases, this line may represent the discretionary transfers mandated by law included in line 2222. *Only used in PY. For agencies with enacted appropriations, also use for CY.*
9502	Unpaid obligations, end of year	Unpaid obligations (i.e., accounts payable plus undelivered orders) carried forward in the following year. This line represents the unpaid obligations included in line 7440 and is based on amounts reported in FACTS II by agencies. *Only used in PY.* Note: This line will be included in MAX, but will not be printed in the Budget Appendix.

82.8 How do I present enacted reductions of budget authority?

Include enacted reductions including account-specific rescissions and across-the-board reductions mandated in appropriations acts in the regular (transmittal code 0) budget schedules. If enacted legislation defers existing budget authority from a year in which it was available for obligation to a year in which it was not available for obligation, then reflect this deferred amount as a reduction in the regular budget schedules and show a reappropriation in the first year of the extended availability (see section 20.4(h)). Show reductions separate from the budget authority initially appropriated for all years covered by schedule P.

Reductions can impact all types of budget authority (e.g., appropriations, borrowing authority, contract authority, advance appropriations, offsetting collections) and can be temporary or permanent. Normally, temporary reductions only apply to special funds, non-revolving trust funds and spending authority from offsetting collections. The budget distinguishes between temporary and permanent reductions. Reductions of new budget authority will be reported by type. However, reductions of unobligated balances of budgetary resources other than contract authority will be reported on either lines 4036, 4038, 6036 or 6038 regardless of the type of budget authority involved. Reductions of balances of contract authority will be reported on line 4936. The two-digit suffixes listed below are used to denote the temporary or permanent nature of the reductions of budget authority. (See the corresponding entries under appropriations (lines 40xx and 60xx) in section 82.3 for more information on how the suffixes are used.) If necessary to fulfill reporting requirements, OMB may tell you to use a different two-digit suffix to identify the appropriate appropriation acts.

Entry		Description
xx35	[type of authority] permanently reduced (–)	Amount of (1) account-specific rescissions and cancellations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. When calculating across-the-board reductions, they will be based on the level of appropriations *prior* to the application of downward adjustments for rescissions of unobligated balances. This means that the rescissions of unobligated balances are applied *aft*er the across-the-board reduction amounts are applied. *Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation. Use only in PY and CY except for line 4035.* Note: Show rescission proposals in a separate program and financing schedule with transmittal code "5," and modify the stub title to read "Rescission proposal."
xx36	unobligated balance permanently reduced (–)	Amount of unobligated balances of prior year budgetary resources that are permanently rescinded or cancelled. When legislation defers existing budget authority (or unobligated balances) from a year in which it was available for obligation to a year in which it was not available for obligation, report the deferred amount as a rescission and show reappropriations in the first year of the extended availability. *Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation. Use only in PY and CY except for line 4036.*

Entry		Description
xx37	[type of authority] temporarily reduced (–)	Amount of (1) account-specific rescissions and cancellations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. When calculating across-the-board reductions, they will be based on the level of appropriations *prior* to the application of downward adjustments for rescissions of unobligated balances. This means that the rescissions of unobligated balances are applied *aft*er the across-the-board reduction amounts are applied. *This line is copied into schedule N.* *Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts. Use only in PY and CY.*
xx38	unobligated balance temporarily reduced (–)	Amount of rescissions and cancellations of unobligated balances of prior year budgetary resources. *This line is copied into schedule N.* *Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts. Use only in PY and CY.*

82.9 How do I present rescission proposals?

Reflect the effect of rescission proposals that already have been transmitted or will be transmitted to the Congress concurrently with the budget in a separate schedule under transmittal code 5 (see section 79.2), not in the regular schedule P for the affected account. The combination of the regular and rescission schedules should display the condition of the account if the Congress accepts the rescission proposal. Please note that the Impoundment Control Act of 1974 requires the President to transmit a special message whenever a proposed rescission is withheld through the apportionment process (see section 112).

The rescission schedule under transmittal code 5 should reflect the changes to amounts in the regular schedule that would result from the rescission proposal. For example, if the budget authority would otherwise be obligated in the event that the rescission is not accepted, display negative amounts for obligations and outlays (outlay savings) in the rescission schedule. In cases where the amounts proposed for rescission could not otherwise be obligated and are shown as expiring in the regular schedule, show a positive entry on line 2398 "Unobligated balance expiring or withdrawn," on the rescission proposal schedule. Enter this same amount as a rescission proposal on the appropriate budget authority line.

82.10 How do I present supplemental appropriations requests and items proposed for later transmittal?

The account identification code includes a transmittal code that identifies the nature of the request (e.g., supplementals and items proposed for later transmittal (see section 79.2)). Most requests that are transmitted to the Congress in the President's Budget are for appropriations for the upcoming fiscal year. These requests are normally reported under transmittal code 0. Separate schedules using non-zero transmittal codes are required to identify proposed supplementals, supplementals requested in the budget, and items proposed for later transmittal under either existing or proposed authorizing legislation and their effect on the information presented in the regular schedule for the account. The combination of the regular schedule and the non-zero transmittal code schedule should display the condition of the account as it would exist if the Congress enacts the proposals.

One of the following titles will be shown, as appropriate, at the top of schedule P to identify proposed supplementals and items proposed for later transmittal:

- Supplemental now requested (transmittal code 1)
- Legislative proposal, not subject to PAYGO (transmittal code 2)
- Appropriations language to be submitted later (transmittal code 3)
- Legislative proposal, subject to PAYGO (transmittal code 4)

When a supplemental proposal or legislative proposal involves a transfer between accounts, omit the transaction from the regular (transmittal code 0) schedules and display it in separate schedules for each of the affected accounts.

82.11 How do I present transfers of resources?

Transfers between agencies resulting from Presidential reorganization plans or enacted reorganization legislation may involve unique problems. Agency staff must consult with OMB representatives in each instance. As a general rule, exclude the transferred activities from the schedules of the losing agency and show them in the gaining agency on a three-year comparable basis. Use footnotes to identify the amounts involved. (See section 82.13 for an example of how the footnote should be worded and section 95 for guidance on submitting the footnotes for printing.) When the gaining agency assumes *all* of the activities previously financed under a single account in another agency, the losing agency should omit budget schedules and appropriation language for the affected account and the gaining agency should show the transferred activities and appropriation language with its schedules.

82.12 How do I present transfers in the estimates?

When a transfer in the estimates (see section 20.4(k)) for the budget year results in a significant increase to or decrease from the amount of budget authority for the past or current year, include footnotes explaining the transfer after the program and financing schedule. (See section 95 for guidance on submitting the footnotes for printing.)

For the account assuming the responsibility, use the following footnote:

Note—Includes $–million in budget authority in BY for activities previously financed from:

PY CY

[List the full title of each losing account, including agency and bureau, and the budget authority amount applicable to each. Where it is appropriate to show the amount on some other basis, such as obligations, you may modify the footnote accordingly.]

If the entire BY estimate is for the transferred activity, the footnote may be worded, "BY estimate is for activities previously financed from [List agency, bureau, and account title]."

For the account losing the activity, use the following footnote:

Note—Excludes $–million in budget authority in BY for activities transferred to:

[List the title of each gaining account, including agency and bureau, and the budget authority amount applicable to each. Where it is more appropriate to show the amount on some other basis, such as obligations, modify the footnote accordingly.]

Comparable amounts for PY ($–million) and CY ($–million) are included above.

You only need to provide a transfer in the estimates footnote in the year the transfer proposal is made. If you use more than one footnote, include them under a centered heading, "NOTES." Modify the wording of footnotes as necessary to explain current year transfers.

At the discretion of OMB, transfers in the estimates may be shown on a three-year comparable basis. If they are, the footnotes should be modified accordingly.

82.13 How do I present merged accounts and consolidated schedules?

(a) *Merged accounts.*

Where two or more appropriations have been or are proposed to be replaced by a single appropriation (see section 79.3(h).), submit a single set of schedules for the new appropriation covering PY through BY. Show a distribution of budget authority and outlays by account at the end of each merged program and financing schedule. Also use the following footnote:

Note.—The activities previously financed under [agency title, bureau title, account title in PY and CY are presented in these schedules and are proposed to be financed in this account in BY. Budget authority and outlays are distributed by account above.

(See section 95 for guidance on submitting the footnotes for printing.)

(b) *Consolidated schedules.*

When two or more accounts are consolidated in a single set of schedules (see section 79.3(h)), list the title of each unexpired account as an activity. You may use subentries to identify activities carried under the individual accounts when the amounts are significant. Show a distribution of budget authority and outlays by account at the end of the program and financing schedule.

(c) *Distribution of budget authority and outlays.*

When you consolidate or merge accounts, append a distribution of budget authority and outlays by account to the bottom of the program and financing schedule. List each merged or consolidated budget account by name and provide data for PY through BY. (See section 95 for guidance on submitting the distribution of budget authority and outlays for printing.)

82.14 How should I treat allocation accounts?

Combine schedule P information for allocation accounts with the parent account without separate identification (see section 20.4(l)). However, you must identify the obligations incurred by allocation accounts in a separate section of the object class schedule of the parent account (see section 83.18).

Receiving agencies should include the following note at the end of each bureau that receives funding through allocations:

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows: [list agency, bureau, and account title for each parent appropriation].

(See section 95 for guidance on submitting the note for printing.)

82.15 Do the actuals I report in schedule P need to tie to the actuals I reported to Treasury?

Actuals reported in the budget must be consistent with amounts reported to Treasury and must be based on actual accounting data. Review any differences from last year's actuals reported to Treasury at https://max.omb.gov/community/x/HAAQAw to prevent these differences from reoccurring. The website also includes reports that show FY 2009 quarterly FACTS II submissions and how they would crosswalk into schedule P.

Typically, one group within your agency (for example, the accounting office) reports amounts to Treasury (see section 130.2) while another group (for example, the budget office) prepares budget schedules. Before your accounting office submits its actuals to Treasury in FACTS II (described below), you must ensure that the amounts are conceptually and numerically consistent with the amounts that you are going to report in MAX A–11. FACTS II facilitates, and to a large extent eliminates the need for, this reconciliation.

See exhibit 130J, exhibit 130K and exhibit 130M for relationships among actuals reported in the following reports: SF 133/Statement of Budgetary Resources, schedule P, and Treasury Combined Statement.

Invested balances reported in MAX should equal invested balances reported to the Treasury Department, as follows:

Reported to Treasury Department	MAX data
Invested balances, start of year	***For all accounts:*** **Schedule P (program and financing schedule):** 9201 Total investments, start of year: Federal securities: Par value
Invested balances, end of year	***For all accounts:*** **Schedule P (program and financing schedule):** 9202 Total investments, end of year: Federal securities: Par value ***For accounts with schedule J:*** **Schedule J (status of funds schedule):** 8701 Invested balance, end of year Note: Amounts reported in these MAX schedules represent total invested balances, including those that are not available for obligation.

(a) *What actuals in the schedule P are imported from the actuals I reported to Treasury?*

In order to reduce duplicate reporting while improving the consistency of year-end data, your agency accounting office reports U.S. Standard General Ledger (USSGL) accounting information at the Treasury account-level into a Treasury-operated system named Federal Agencies Centralized Trial-Balance System II (FACTS II), which was developed by agencies, Treasury, and OMB. The FACTS II information is then translated/crosswalked and copied into the following reports:

- SF 133 Report on Budget Execution and Budgetary Resources (used to monitor SF 132 Apportionments and used as the basis of the audited Statement of Budgetary Resources),

- FMS 2108 Year-end Closing Statement (used as a primary source of the Treasury Combined Statement), and

- Much of the PY column of schedule P.

- For more information about FACTS II and the USSGL and crosswalks from the USSGL to schedule P, see Treasury Transmittal Letter No. S2–01–02, a supplement to the Treasury Financial Manual (TFM) and http://www.fms.treas.gov/factsii/index.html.

When year-end FACTS II information is submitted, the information must not only pass a number of FACTS II edit-checks, but a person separate from the "preparer" (i.e. data entry person) named a "certifier" must certify that the information is correct. In addition, GAO requires your auditors to determine whether controls exist to ensure that the amounts in your systems and the amounts submitted via FACTS II agree. See GAO–02–126G "Guide for Auditing the Statement of Budgetary Resources".

On a daily basis, Treasury provides your agency with an Account Statement via the Governmentwide Accounting System. The Account Statement reflects all activity reported to Treasury. You are required to reconcile the Account Statement with your accounting system each month. At year-end, this reconciliation should be accomplished before submitting your FACTS II data.

In the future, MAX A–11 will ensure that all amounts in the PY column of schedule P will tie to amounts reported via FACTS II. For the preparation of the 2011 Budget, outlays will continue to be locked and eleven lines will be controlled by edit-checks.

(b) *What do I do if I do not agree with the PY amount on line P 9000 "Outlays (net) or my receipt data?"*

If you do not agree with the amount on line P 9000 "Outlays (net)", after the FACTS II database is locked (late-October) and the outlay is reported in FACTS II and imported into MAX A–11, then you must submit a written explanation of the difference to your OMB representative. The explanation must be signed by your budget officer and accounting officer and explain why the error happened. Include affected accounts and amounts. Include a revised SF 224 and a statement that the amounts will be revised in FACTS II when FACTS II opens for revisions to fourth quarter actuals if appropriate. If the explanation is accepted, then line P 9000 will be changed centrally. Ensure that the actuals are revised in FACTS II as described in the previous section. You should get PY-related matters like this taken care of as soon as the budget database opens so that you can concentrate on the BY column later.

Similarly, submit a written explanation if your agency does not agree with the receipt actuals that have been imported into MAX schedule R from Treasury SF 224 data. (See section 81.1). Receipt account information is not collected via FACTS II.

(c) *What do I do if MAX does not agree with FACTS II?*

For the 2011 Budget, the following lines have MAX A–11 edit-checks that will require you to tie to FACTS II:

1000 Total new obligations
2140 Unobligated balance carried forward, start of year
2145 Adjustment to unobligated balance carried forward, start of year
2210 Resources available from recoveries of prior year obligations
2230 Expired unobligated balances transfer to unexpired account
2240 Capital transfer to general fund
2270 Balance of borrowing authority withdrawn
2260 Portion to repay debt

2275	Balance of contract authority withdrawn
2333	Adjustment for change in allocation
2398	Unobligated balance expiring or withdrawn
2440	Unobligated balance carried forward, end of year
2441	Special and trust fund receipts returned to schedule N
2451	Expired unobligated balance carried forward, start of year (special and trust funds)
2452	Expired unobligated balance carried forward, start of year (special and trust funds)
4000	Discretionary appropriation
4020	Discretionary appropriation (special fund)
4026	Discretionary appropriation (trust fund)
4035	Discretionary reduction—Appropriation permanently reduced
4036	Discretionary reduction—Unobligated balance permanently reduced
4037	Discretionary reduction—Appropriation temporarily reduced
4049	Discretionary portion applied to liquidate contract authority
5500	Discretionary advance appropriation
5800	Discretionary spending authority from offsetting collections (cash)
5810	Discretionary change in uncollected customer payments from Federal sources
5827	Discretionary capital transfer to general fund
6000	Mandatory appropriation
6020	Mandatory appropriation (special fund)
6026	Mandatory appropriation (trust fund)
6028	Mandatory appropriation (previously unavailable)
6035	Mandatory reduction—Appropriation permanently reduced
6036	Mandatory reduction—Unobligated balance permanently reduced
6045	Mandatory portion precluded from obligation
6047	Mandatory portion to repay debt
6049	Mandatory portion applied to liquidate contract authority
6300	Mandatory reappropriation
6500	Mandatory advance appropriation
6610	Mandatory contract authority
6710	Mandatory borrowing authority
6900	Mandatory spending authority from offsetting collections (cash)
6910	Mandatory change in uncollected customer payments from Federal sources
6927	Mandatory capital transfer to general fund
6947	Mandatory portion to repay debt
7240	Obligated balance, start of year
7245	Adjustment to obligated balance, start of year
7340	Adjustments in expired accounts
7410	Change in uncollected customer payments from Federal sources (expired)
7440	Obligated balance, end of year
8690	Outlays from new discretionary authority
8693	Outlays from discretionary balances
8697	Outlays from new mandatory authority
8698	Outlays from mandatory balances
8800	Offsetting collections from Federal sources
8820	Offsetting collections from interest on Federal securities
8825	Offsetting collections from interest on uninvested funds
8840	Offsetting collections from non-Federal sources
8845	Offsetting collections from offsetting governmental collections (from non-Federal sources)
8896	Portion of offsetting collections (cash) credited to expired accounts
9201	Total investments, start of year: Federal securities: Par value
9202	Total investments, end of year: Federal securities: Par value
9203	Total investments, start of year: non-Federal securities: Market value
9204	Total investments, end of year: non-Federal securities: Market value
9401	Unavailable balance, start of year: Offsetting collections

9402 Unavailable balance, end of year: Offsetting collections
9502 Unpaid obligations, end of year

The following table summarizes the actions you need to take if MAX does not agree with FACTS II:

If an error is found…	And if…	Then…
Before MAX A–11 agency lock-out	Financial audit was complete	• Consult with your accounting office. • Correct the amount in MAX A–11. • Ensure that your accounting office revises the amount in FACTS II. Your accounting office *must* revise both material and non-material amounts in FACTS II. • Work with your accounting office to determine the source of the problem and develop a plan to make sure the problem does not recur in the future. Your accounting office will also need to talk with the financial statement auditors to determine whether your financial statements for the next reporting cycle should be restated or a footnote to the financial statements is required for the changes made in FACTS II.
After MAX A–11 agency lock-out	Financial audit was complete	• Consult with OMB representative. OMB will review on a case-by-case basis.

Like last year, the FACTS II revision window will be open to agency accounting offices at the same time agency budget offices are working on the actual column (PY) data in the budget database. As a result, OMB will not suppress any MAX A–11 edit-checks related to FACTS II data before the FACTS II revision window closes.

While the FACTS II revision window is open, OMB will use the revised FACTS II data in its edit checks. If your agency accounting office has made all the appropriate revisions in FACTS II, then your agency should have no edit-checks problems related to FACTS II.

(d) *What do I do if I do not agree with other PY amounts imported from Treasury?*

You may over-write amounts imported from FACTS II. However, before over-writing an amount in the PY column of schedule P in MAX A–11, you should talk with the person who entered the data into FACTS II to see why they entered that amount. If you both find that an amount reported via FACTS II was incorrect, then over-write the amount and let the person who entered the information in FACTS II know, so that they can revise it.

(e) *Why do I need to revise FACTS II if I do not agree with PY amounts imported from Treasury?*

Before the MAX A–11 agency lock-out, the FACTS II database opens for revisions. You must revise the incorrect information in FACTS II because the revised FACTS II database is used as a basis for revised

SF 133s, audited Statements of Budgetary Resources (if material), and central analysis. Information is copied from FACTS II to MAX A–11 once per year before MAX A–11 opens to agency budget offices. However, information is not ever copied from MAX A–11 to FACTS II.

Revisions are intended to help you correct errors (not to give you extra time to verify your data) and should be used sparingly. The primary purpose of this revision period is to make FACTS II consistent with the amounts in the prior-year column of the Budget. Consult with the financial statement auditors to determine whether your financial statements for the next reporting cycle should be restated or a footnote to the financial statements is required for the changes made in FACTS II that result in differences between the Statement of Budgetary Resources and the Budget. For FACTS II reporting periods, see http://www.fms.treas.gov/factsii/index.html.

(f) *What actions do I need to take if I changed amounts imported from FACTS II in MAX A–11 for the Budget but did not change them in the FACTS II revision window?*

If the changes *affect ending balances* (e.g., changes to amounts of budget authority, obligations incurred, gross outlays, beginning balances), you will need to make changes in FACTS II in the next fiscal year FACTS II reporting window. You should consult with the person who entered the data into FACTS II. If you both agree that the amount should have been revised in FACTS II, then the person who entered the information in FACTS II should adjust the appropriate beginning balances (whether material or non-material) in the next fiscal year FACTS II reporting window. Additionally, before OMB will suppress an edit error related to PY ending balances in MAX, you must provide OMB with the affected Treasury Appropriation Fund Symbol and the amount of the adjustment in actual dollars. For example, if you increased the amount of obligations incurred (but not disbursed) by 100, then the ending unobligated balance would decrease by 100, and the obligated balance would increase by 100. Therefore, the beginning unobligated balance reported in the preceding fiscal year FACTS II reporting window should be decreased by 100, and the beginning obligated balance reported in the preceding fiscal year FACTS II reporting window should be increased by 100.

Until changes are made in both FACTS II and MAX A–11, there will be an ongoing difference in the balances reported in FACTS II and the Budget.

If the changes *do not affect ending balances* (e.g., changes to discretionary versus mandatory coding), you do not need to make changes in FACTS II in the next fiscal year FACTS II reporting window. For example, if you changed an appropriation from mandatory to discretionary, this change does not impact the ending balances. Therefore, no change is required in FACTS II after the revision window has closed.

(g) *Where is guidance related to adding a footnote to financial statements?*

Conceptually, the actuals in the Budget, Statement of Budgetary Resources, and SF 133 should tie. However, if they do not, just explain the differences in a footnote in your financial statements. Your accounting office will find the guidance related to this footnote in OMB Circular No. A-136 "Financial Reporting Requirements" section II.4.10.34.

(h) *How can I prepare?*

Consult with your accounting office for any differences that you are aware of and review your obligations and balances reported on your quarterly SF 133 throughout the year. Also, review any differences from last year at https://max.omb.gov/community/x/HAAQAw to prevent these differences from reoccurring.

SECTION 83—OBJECT CLASSIFICATION (MAX SCHEDULE O)

Table of Contents

Summary of Changes

Drops the separate reporting requirement for obligations covered by statutory limitations (section 83.6).

Clarifies that payments for homeowners assistance are classified as grants, subsidies, and contributions in object class 41, even if paid to military personnel (section 83.7).

83.1 What are object classes?

Object classes are categories in a classification system that presents ***obligations by the items or services purchased*** by the Federal Government. These are the major object classes:

- 10 Personnel compensation and benefits.
- 20 Contractual services and supplies.
- 30 Acquisition of assets.
- 40 Grants and fixed charges.

- 90 Other.

We divide these major classes into smaller classes and present them in the Budget Appendix in object class schedules.

The object classes present obligations according to their initial purpose, *not the end product or service*. For example, if you pay a Federal employee who constructs a building, classify the obligations for the employee's wages under *Personnel compensation and benefits*, rather than *Acquisition of assets*. If you purchase a building, classify the contractual obligations under *Acquisition of assets*.

You record *obligations* when the Federal Government places an order for an item or a service, awards a contract, receives a service, or enters into similar transactions that will require payments in the same or a future period (see section 20.5). You also record obligations when you make an *expenditure* transfer between Federal Government accounts (see section 20.4(j)).

83.2 Why must I report object class information?

You must report object class information because the law (31 U.S.C. 1104(b)) requires the President's Budget to present obligations by object class for each account.

83.3 How do object classes compare to functional and character classes and program activity?

The following table shows how the object classification system differs from the other classification systems used in the President's Budget.

Classification System	What is classified?	What does it tell me?
Object class	Obligations	Goods or services or items purchased, for example, supplies, rent, or equipment
Program activity (see section 82.2)	Obligations	Activity, project, or other programmatic distinction
Functional class (see section 79.3(d))	Budget authority, outlays, and offsetting receipts	Major purpose served, for example, national defense, health, income security
Character class (see section 84.4)	Budget authority, outlays, and offsetting receipts	Whether the amount pays for an *investment* or noninvestment and whether the amount is a *grant* to a State and local government or a *direct* Federal program; If investment, then, what type: physical asset, conduct of R&D, or conduct of education and training

83.4 How does the object class schedule relate to the program and financing schedule?

You report object class information whenever you report obligations on a program and financing (P&F) schedule (except you do not report object class information for credit financing accounts). This means you report obligations by object class separately for the regular budget requests, supplemental budget requests, rescission proposals, and legislative proposals.
In addition, object class schedules separately identify the following types of obligations:

- Direct and reimbursable obligations (see section 83.5).
- Obligations for allocations between agencies (see section 83.14).

83.5 How can I determine whether an obligation should be classified as direct or reimbursable?

In general, reimbursable obligations are those financed by offsetting collections (See section 20.7(d).) received in return for goods and services provided, while all other obligations are direct. However, there are exceptions. Classify *obligations* as "direct" or "reimbursable" in accordance with the following criteria:

If the obligations are . . .	And if . . .	The classification is . . .
NOT financed from offsetting collections	The account is NOT a REVOLVING FUND	Direct
Financed from any type of budgetary resources, including offsetting collections	The account is a CREDIT program or liquidating account	Direct
Financed from offsetting collections from: • Asset sales (including GSA recycling funds); • Interest on Federal securities; • Interest on uninvested funds; • Compulsory collections from the public, such as taxes, compulsory user charges, customs duties, license fees; • Intragovernmental expenditure transfers with no benefit (e.g., goods and services) to the paying account; • Donations; or • Refunds.		Direct
Financed from offsetting collections received in return for goods or services provided, including: • Reimbursements under the IPA (see section 83.15); and • Voluntary insurance premiums	The offsetting collections are NOT from any of the sources identified in the previous case, that is, asset sales, interest, etc.	Reimbursable
Financed from any type of budgetary resources, including offsetting collections	The account is a REVOLVING FUND but is NOT a credit liquidating account	Reimbursable
Financed from offsetting collections from other Federal government account(s)	The collections are for a jointly funded grant or project	Reimbursable

The amounts you classify as reimbursable obligations in both MAX schedule O and MAX schedule P for a budget account should be identical with the following exceptions:

- Line 9995, *Below reporting threshold*, in MAX schedule O may contain a mixture of direct and reimbursable obligations. These amounts are not material because they are normally $4 million or less;

- Credit financing accounts do not have any MAX schedule O; and

MAX schedule O. Use the 4–digit object class line numbers in exhibit 83A when you enter obligations by object class in MAX schedule O. Be sure to use the right prefix to distinguish reimbursable from direct obligations. For reimbursable obligations, if the obligations are for the parent account use 2xxx and if the obligations are in an allocation account use 4xxx.

MAX schedule P. Use the 4–digit program activity codes described in section 82.2 when you report obligations. For reimbursable obligations, use x9xx.

83.6 What object class codes and definitions should I use?

Earlier, we said that we divided the major object classes into smaller ones. The following table provides the codes, standard titles, and definitions used to identify detailed object class data. Exhibit 83A summarizes the codes and standard titles used in MAX schedule O.

<table>
<tr><th colspan="2">Entry</th><th>Description</th></tr>
<tr><td>10</td><td>PERSONNEL COMPENSATION AND BENEFITS</td><td>This major object class consists of object classes 11, 12, and 13.</td></tr>
<tr><td>11</td><td>Personnel compensation</td><td>Compensation directly related to duties performed for the Government by Federal civilian employees, military personnel, and non-Federal personnel. Object class 11 covers object classes 11.1 through 11.8.</td></tr>
<tr><td>11.1</td><td>Full-time permanent</td><td>For full-time civilian employees with permanent appointments.

Full-time permanent employees are those who are full-time civilian employees with permanent appointments as defined by the Office of Personnel Management (OPM). The nature of the employee's appointment is controlling, not the nature of the position. For this object class, include full-time permanent employees in the:

• Competitive Service with career and career-conditional appointments.

• Excepted Service whose appointments carry no restriction or condition. Include those serving trial periods or whose tenure is equivalent to career-conditional tenure in the Competitive Service.

<u>Exclude</u> those serving on indefinite appointments and appointments limited to a specific time.

• Senior Executive Service (SES) with career appointments as defined in 5 U.S.C. 3132(a)(4) and non career appointments as defined in 5 U.S.C. 3132(a)(7).

Refer to your agency's human resources office for assistance on the types of appointments for staff in your agency.

Include:

• Regular salaries and wages paid to the employees (some of which may be withheld from the employee's check to pay taxes, to pay a bill in a credit union, or to pay the employee's share of life and health insurance).</td></tr>
</table>

Entry		Description
		• Other payments that become part of their basic pay (for example, geographic differentials, and critical position pay). • Regular salaries and wages paid while the employees are on paid leave, such as annual, sick, or compensatory leave. • Lump sum payments for annual leave upon separation (also known as terminal leave payments). Exclude: • Compensation above the basic rate, for example, overtime or other premium pay, which will be classified in object class 11.5, *Other personnel compensation.* • Full-time *temporary* employees who are full-time civilian employees with *temporary appointments as defined by OPM* who will be classified in object class 11.3, *Other than full-time permanent*.
11.3	Other than full-time permanent	Regular salaries and wages paid to civilian employees for part-time, temporary, or intermittent employment (see note below). Include: • Part-time permanent employees, that is, employees with appointments that require work on a prearranged schedule of fewer hours or days of work than prescribed for full-time employees in the same group or class. • Temporary employees, that is, employees with appointments for a limited period of time that is generally less than a year. For example: (a) full-time temporary employees, (b) seasonal employees without permanent appointments, (c) employees with term appointments, and (d) employees with indefinite appointments. • Personnel appointments and advisory committees. • Intermittent employees, that is, employees with appointments that require work on an irregular or occasional basis and who are paid only for the time actually employed or services actually rendered. • *Note:* For personal services contracts with individuals, who are classified by OPM as Federal employees, classify the basic pay in this object class and classify compensation above the basic pay in object class 11.5, *Other personnel compensation*. On the other hand, classify the payments to a contractor principally for the personal services of a group of the contractor's employees according to the type of contract involved (for example, classify personal services contracts for operation and maintenance of facilities under object class 25.4).
11.5	Other personnel compensation	Compensation *above the basic rates* paid directly to civilian employees. Include:

Entry	Description
	• Overtime, which is pay for services in excess of the established work period as defined in 5 U.S.C. 5542, standby duty and administratively uncontrollable overtime as defined in 5 U.S.C. 5545, and unscheduled availability duty hours for criminal investigations as defined in 5 U.S.C. 5545(a). • Holiday pay as defined in 5 U.S.C. 5546(b). • Night work differential, which is pay above the basic rate for regularly scheduled night work. • Post differentials, which are authorized under 5 U.S.C. 5925 above the basic rate for service at hardship posts abroad that are based upon conditions of environment substantially different from those in the continental United States and warrant additional pay as a recruitment and retention incentive. • Hazardous duty pay, which is pay above the basic rate because of assignments involving performance of duties that subject the employee to hazards or physical hardships. *Note*: Post differentials and hazardous duty pay result from the job or services performed. For example, a job performed at a hardship post abroad or under hazardous duty is different from what might appear to be the same job performed elsewhere and under non-hazardous conditions. Hence, both are classified with other pay in object class 11 and not as benefits in object class 12. By contrast, compensation in the form of cost of living allowances are classified as benefits in object class 12 because they do not result from the job or services performed. The cost for a job in one locale is different from the same job in another locale simply because the cost of living is higher in one locale. • Supervisory differential, which is pay above the basic rate to adjust the compensation of a supervisor to a level greater than the highest paid subordinate. The differential applies to a General Schedule employee who supervises one or more employees not covered by the General Schedule. • Cash incentive awards, which are payments for cash awards that do not become part of the Federal civilian employee's basic rate of pay, such as those authorized under 5 U.S.C. 4503, 4504, 4505(a), 4507, and 5384. • Other payments above basic rates, which are payments for other premium pay, such as stand-by pay and premium pay in lieu of overtime and special pay that is paid periodically during the year in the same manner and at the same time as regular salaries and wages are paid. Exclude other payments which are classified in object class 12.1, *Civilian personnel benefits*. • Royalties to Federal scientists and inventors which may last up to 17 years and may be paid after the employee has left Federal service or to the employee's beneficiary.
11.7 Military personnel	The regular salaries and wages paid to personnel of the uniformed service, including the commissioned corps of the Public Health Service

Entry		Description
		and the National Oceanic and Atmospheric Administration (some of which may be withheld from the employee's check to pay taxes, to pay a bill in a credit union, or to pay the employee's share of life and health insurance) as well as amounts above the basic pay rates. For "amounts above the basic pay rates", apply the same definitions as for civilian employees in object class 11.5. Include: • Flight pay. • Basic allowance for subsistence (BAS) and for housing (BAH). • Extra pay based upon conditions of environment (except cost of living allowances for locations outside the contiguous 48 States and the District of Columbia which will be classified in object class 12.2, Military personnel benefits).
11.8	Special personal services payments	Payments for personal services that do not represent salaries or wages paid directly to Federal employees and military personnel. Include: • Reimbursable details, that is, payments to other accounts for services of civilian employees and military personnel on reimbursable detail (both compensation and personnel benefits). • Reemployed annuitants, that is, payments by an agency employing an annuitant to reimburse the Civil service retirement and disability fund for the annuity paid to that employee under 5 U.S.C. 8339 through 8344. • Non-Federal civilians, such as witnesses; casual workers, patient and inmate help, and allowances for trainees and volunteers. • Salary equalization (authorized under 5 U.S.C. 3372 and 3584) to individuals on leave of absence while employed by international organizations or State and local governments, when the equalization payment is 50 percent or less of the person's salary. • Staff of former Presidents paid by the General Services Administration (GSA) under 3 U.S.C. 102(b).
11.9	Total personnel compensation	This line is automatically generated when there are multiple direct compensation lines.
12	Personnel benefits	Benefits for ***currently*** employed Federal civilian, military and certain non-Federal personnel. Covers object classes 12.1 and 12.2. *Note:* Show benefits to certain ***former*** civilian and military personnel in object classes 13.0 and 42.0.
12.1	Civilian personnel benefits	Cash payments (from the agency, not funds withheld from employee compensation) to other funds for the benefit of Federal civilian employees or direct payments to these employees. Include payments to or for certain non-Federal employees as required by law. Non-Federal civilian employees are employees who are not reportable to the Office of Personnel Management as Federal employees, such as witnesses, casual workers, trainees, volunteers. For example, Peace Corps and VISTA volunteers, Job Corps enrollees, and U.S.

Entry		Description
		Department of Agriculture Extension Service agents. Include: • Insurance and annuities, which are the employer's share of payments for life insurance, health insurance, employee retirement (including payments to finance fiduciary insurance costs of the Federal Retirement Thrift Investment Board), work injury disabilities or death and professional liability insurance (which are payments to reimburse qualified Federal employees for up to one half the cost of professional liability insurance premiums, as authorized by P.L. 104–208 and amended by P.L. 106–58). • Recruitment, retention, and other incentives, such as: ▸ Payments above the basic rate for recruitment bonuses, relocation bonuses, and retention allowances authorized by 5 U.S.C. 5753 and 5754. ▸ Payment to the loan holder (e.g., the bank) to repay an employee's student loan as a recruitment incentive. ▸ Extended assignment incentives. ▸ Relocation and other expenses related to permanent change of station (PCS), except expenses for travel and transportation and the storage and care of vehicles and household goods (see section 83.8). ▸ Cash allowances for separate maintenance, education for dependents, transfers for employees stationed abroad, and personal allowances based upon assignment or position, and overseas differentials. ▸ Cost-of-living allowances (COLAs) as authorized under 5 U.S.C. 5924 and 5941 and other laws. *Note*: COLAs are classified as benefits in object class 12 (and not as compensation in object class 11) because they are not related to the job or service performed. ▸ Student loan repayments authorized by 5 U.S.C. 5379. • Other allowances and payments such as allowances for uniforms and quarters, special pay that is paid in a lump sum (such as compensatory damages or employee settlements), reimbursements for notary public expenses, and subsidies for commuting costs, that is, payments to subsidize the costs of Federal civilian employees in commuting by public transportation.
12.2	Military personnel benefits	Cash allowances and payments of employer share to other funds for military personnel. Include: • Cash allowances such as ▸ Uniform allowances. ▸ Extended assignment incentives.

Entry		Description
		▸ Reenlistment bonuses. ▸ Cost-of-living allowances. ▸ Dislocation and family separation allowances. ▸ Personal allowances based upon assignment or rank. • Payments to other funds, such as the employer's share of military retirement, Medicare-Eligible Retiree Health Care, Federal Insurance Contribution Act taxes, Servicemen's Group Life Insurance premiums, and education benefits. • Subsidies for commuting costs, which are payments to subsidize the costs of military personnel in commuting by public transportation. Exclude: • Hazardous duty pay, flight pay, extra pay based upon conditions of work environment, and other such pay, which are classified as military personnel compensation in object class 11.7, and benefit payments to veterans resulting from their past service, which are classified as benefits to former personnel in object class 13.0. • Homeowners assistance which are classified as grants, subsidies and contributions in object class 41.0.
13.0	Benefits for former personnel	Benefits for former officers and employees or their survivors that are based (at least in part) on the length of service to the Federal Government. Include: • Retirement benefits in the form of pensions, annuities, or other retirement benefits paid to former military and certain civilian Government personnel or to their survivors. Exclude payments made directly to beneficiaries from retirement (special or trust) funds, which are classified as insurance claims and indemnities under object class 42.0. • Separation pay, which are severance payments to former employees who were involuntarily separated through no fault of their own and voluntary separation incentive (VSI) payments, also known as "buy-outs" to employees who voluntarily separate from Federal service. • Payments to other funds for ex-Federal employees and ex-service personnel (e.g., agency payments to the unemployment trust fund for ex-employees and one-time agency payments of final basic pay to the civil service retirement fund for employees who took the early-out under buy-out authority) and other benefits paid directly to the beneficiary. Also, Government payment to the Employees health benefits and life insurance funds for annuitants.

Entry		Description
		Exclude: • In-kind benefits, such as hospital and medical care, which are classified under the object class representing the nature of the items purchase.
20	**CONTRACTUAL SERVICES AND SUPPLIES**	This major object class covers purchases of contractual services and supplies in object classes 21.0 through 26.0.
21.0	Travel and transportation of persons	Travel and transportation costs of Government employees and other persons, while in an authorized travel status, that are to be paid by the Government either directly or by reimbursing the traveler. Consists of both travel away from official stations, subject to regulations governing civilian and military travel, and local travel and transportation of persons in and around the official station of an employee. Include: • Contracts to transport people from place to place, by land, air, or water, such as commercial transportation charges; rental or lease of passenger cars; charter of trains, buses, vessels, or airplanes; ambulance service or hearse service; and expenses incident to the operation of rented or chartered conveyances. (Rental or lease of all passenger-carrying vehicles is to be charged to this object class, even though such vehicles may be used incidentally for transportation of things.) • Incidental travel expenses which are other expenses directly related to official travel, such as baggage transfer, and telephone and telegraph expenses, as authorized by travel regulations.
22.0	Transportation of things	Transportation of things (including animals), the care of such things while in process of being transported, and other services incident to the transportation of things. Include: • Freight and express charges by common carrier and contract carrier, including freight and express, switching, crating, refrigerating, and other incidental expenses. • Trucking and other local transportation charges for hauling, handling, and other services incident to local transportation, including contractual transfers of supplies and equipment. • Mail transportation charges for express package services (i.e., charges for transporting freight) and postage used in parcel post. Exclude other postage and charges that are classified under object class 23.3. • Transportation of household goods related to permanent change of station (PCS). Exclude: • Transportation paid by a vendor, regardless of whether the cost is itemized on the bill for the commodities purchased by the

Entry		Description
		Government.
23	Rent, Communications, and Utilities	Payments for the use of land, structures, or equipment owned by others and charges for communication and utility services. Object class 23 covers object classes 23.1 through 23.3.
23.1	Rental payments to GSA	Payments to the General Services Administration (GSA) for rental of space and rent related services. Exclude: • Payments to a non-Federal source, which will be reported in object class 23.2, *Rental payments to others*. • Payments to agencies other than GSA for space, land, and structures that are subleased or occupied by permits, which will be classified in object class 25.3, *Other Purchases of goods and services from Government accounts*, regardless of whether the space is owned or leased by the agency other than GSA. • Payments for related services provided by GSA in addition to services provided under rental payments, e.g., extra protection or extra cleaning, which will be classified in object class 25.3, *Other Purchases of goods and services from Government accounts*. • Payments for rental of transportation equipment, which are classified under object class 21.0, *Travel and transportation of person*, or object class 22.0, *Transportation of things*.
23.2	Rental payments to others	Payments to a non-Federal source for rental of space, land, and structures.
23.3	Communications, utilities, and miscellaneous charges	Payment for information technology, utilities and miscellaneous charges. Include: Rental or lease of information technology equipment, include any hardware or software, or equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information, such as mainframe, mid-tier, and workstation computers. Exclude contractual services involving the use of equipment in the possession of others, such as computer time-sharing or data center outsourcing, which will be classified in object class 25.7, *Operation and maintenance of equipment*. • Information technology services, include data, voice, and wireless communication services, such as long-distance telephone services from other Federal agencies or accounts. Exclude charges for maintenance of information technology and related training and technical assistance, when significant and readily identifiable in the contract or billing, which will be classified in object class 25.7, *Operation and maintenance of equipment*. • Postal services and rentals, include postage (exclude parcel post and express mail service for freight); contractual mail (include express mail service for letters) or messenger service; and rental of post office boxes, postage meter machines, mailing machines,

Entry		Description
		and teletype equipment. • Data communication services (voice, data, and wireless) from other Government agencies or accounts. • Utility services include heat, light, power, water, gas, electricity, and other utility services. • Miscellaneous charges, for example, periodic charges under purchase rental agreements for equipment. (Payments subsequent to the acquisition of title to the equipment should be classified under object class 31.0, *Equipment*.) Exclude payments under lease-purchase contracts for construction of buildings, which will be classified in object class 32.0, *Land and structures*, or object class 43.0, *Interest and dividends*, and for lease-purchase contracts for information technology and telecommunications equipment which will be classified in object class 31.0, *Equipment*.
24.0	Printing and reproduction	Printing and reproduction obtained from the private sector or from other Federal entities. Include: • Typesetting and lithography. • Duplicating. • Standard forms when specially printed or assembled to order and printed envelopes and letterheads. • Publication of notices, advertising, radio and television time. • Photo composition, photography, blueprinting, photostating, and microfilming. • The related composition and binding operations performed by the Government Printing Office, other agencies, or other units of the same agency on a reimbursable basis, and commercial printers or photographers. *Note*: In determining subclasses for administrative use, agencies may appropriately maintain a distinction between traditional printing technologies and photo static reproduction.
25	Other contractual Services	Object class 25 covers object classes 25.1 through 25.8.
25.1	Advisory and assistance services	Services acquired by contract from non-Federal sources (that is, the private sector, foreign governments, State and local governments, tribes), as well as, from other units within the Federal Government. This object class consists of three types of services: • Management and professional support services. • Studies, analyses, and evaluations. • Engineering and technical services. Each is described in further detail below.

Entry	Description
	Management and professional support services. Include: • Services that assist, advise, or train staff to achieve efficient and effective management and operation of organizations, activities, or systems (including management and professional support services for information technology and R&D activities). • Services that are normally closely related to the basic responsibilities and mission of the agency contracting for the services. • Services that support or contribute to improved organization of program management, logistics, management, project monitoring and reporting, data collection, budgeting, accounting, performance auditing, and administrative/technical support for conferences and training programs. Exclude auditing of financial statements, which will be classified in object class 25.2, *Other services*. Studies, analyses, and evaluations provide organized analytic assessments or evaluations in support of policy development, decision-making, management, or administration. Include: • Studies in support of information technology and R&D activities. • Models, methodologies, and related software supporting studies, analyses, or evaluations. Engineering and technical services (excluding routine engineering services and operation and maintenance of information technology and data communications services). Include: • Services that support the program office during the acquisition cycle by providing such services as information technology architecture development, systems engineering, and technical direction (FAR 9.505–1(b)). • Services that ensure the effective acquisition, operation, and maintenance of a major acquisition, weapon system or major system, as defined in OMB Circular No. A–109 and in this Circular's supplement, Capital Programming Guide. • Provide direct support of a major acquisition or weapons system that is essential to planning, R&D, production, or maintenance of the acquisition or system. Include information technology consulting services, such as information technology architecture design and capital programming, and investment control support services. • Include software services such as implementing a web-based,

Entry		Description
		commercial off-the-shelf software product that is an integral part of a consulting services contract. Exclude: • Information technology consulting services, which have large scale systems acquisition and integration or large scale software development as their primary focus. Classify these in object class 31.0, *Equipment*. • Personnel appointments and advisory committees. Classify these in object class 11.3, *Other than full-time permanent*. • Contracts with the private sector for operation and maintenance of information technology and telecommunication services. Classify these in object class 25.7, *Operation and maintenance of equipment*. • Architectural and engineering services as defined in the Federal Acquisition Regulations (FAR) 36.102 (40 U.S.C. 541). • Research on theoretical mathematics and basic medical, biological, physical, social, psychological, or other phenomena which will be classified in object class 25.5, *Research and development contracts*. • Other contractual services classified in object classes 25.2, *Other services*, through 25.8, *Subsistence and support of persons*, and 26.0, *Supplies and materials*.
25.2	Other services	Report contractual services with non Federal sources that are *not otherwise classified* under this object class. Include: • Auditing of financial statements when done by contract with the private sector. Exclude performance auditing by contract with the private sector, which will be classified in object class 25.1, *Advisory and assistance services* and auditing of financial statements when done by contract with another Federal Government entity, which will be classified in object class 25.3, *Other Purchases of goods and services from Government accounts*. • Typing and stenographic service contracts with the private sector. • Purchases from State and local governments, the private sector, and Government sponsored enterprises that are not otherwise classified. • Tuition for the general education of employees (e.g., for courses for credit leading to college or post graduate degrees). Exclude tuition for training closely-related to the basic responsibilities and mission of the agency, which are classified under object class 25.1, *Advisory and assistance services.*

Entry		Description
		• Fees and other charges for abstracting land titles, premiums on insurance (other than payments to the Office of Personnel Management), and surety bonds. Exclude: • Advisory and assistance services contracts, which are classified under object class 25.1, *Advisory and assistance services*. • Contractual services reported in other object classes 21.0, 22.0, 23.1–23.3, 24.0, 25.1, 25.3–25.8, and 26.0. • Services in connection with the initial installation of equipment, when performed by the vendor, which will be classified in object class 31.0, *Equipment*. • Expenditure transfers between Federal accounts, which are classified in object classes 25.3, *Purchases of goods and services from Government accounts*, and 92.0, *Undistributed*, as described below. • Repair, maintenance, and storage of vehicles and storage of household goods, which are reported in object class 25.7, *Operation and maintenance of equipment*. • Repairs and alterations to buildings, which are classified in object classes 25.4, *Operation and maintenance of facilities*, or 32.0, *Land and structures*, as appropriate. • Subsistence and support of persons, which is classified as object class 25.8, *Subsistence and support of persons*. • Research and development contracts which will be classified in object classes, *Advisory and assistance services*, 25.4, *Operation and maintenance of facilities*, and 25.5, *Research and development contracts*, as appropriate.
25.3	Other purchases of goods and services from Government accounts	Purchases from other Federal Government agencies or accounts *that are not otherwise classified*. **Do not use this object class if a more specific object class applies. See section 83.14.** Include: • Rental payments to Federal Government accounts other than the GSA Federal Buildings Fund. • Interagency agreements for contractual services (including the Economy Act) for the purchase of goods and services, except as described below. • Expenditure transfers between Federal Government accounts for jointly-funded grants or projects. Exclude:

Entry		Description
		• Purchases from State and local governments, the private sector, and Government sponsored enterprises that are not otherwise classified. Classify these in object class 25.2, *Other services*. • Data communication services (voice, data, and wireless) from other agencies or accounts. Classify these in object class 23.3, *Communications, utilities, and miscellaneous charges*. • Agreements with other agencies to make repairs and alterations to buildings. Classify these in object classes 25.4, *Operation and maintenance of facilities*, or 32.0, *Land and structures*, as appropriate. • Storage and maintenance of vehicles and household goods. Classify these in object class 25.7, *Operation and maintenance of equipment*. • Subsistence and support of persons. Classify these in object class 25.8, *Subsistence and support of persons*. • Development of software, or maintenance of software or hardware. Classify these in object classes 31.0, *Equipment*, and 25.7, *Operation and maintenance of equipment*, respectively. • Advisory and assistance services. Classify these in object class 25.1, *Advisory and assistance services*. • Payments made to other agencies for services of civilian employees or military personnel on reimbursable detail. Classify these in object class 11.8, *Special personal services payments*. • Contractual services classified under object classes 21.0, 22.0, 23.1–23.3, 24.0, 25.2, 25.4–25.8, and 26.0.
25.4	Operation and maintenance of facilities	Operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. Include: • Government-owned contractor-operated facilities (GOCOs). • Service contracts and routine repair of facilities and upkeep of land. • Operation of facilities engaged in research and development activities. Exclude: • Alterations, modifications, or improvements to facilities and land, which will be reported in object class 32.0, *Land and structures.*
25.5	Research and development contracts	Contracts for the conduct of basic and applied research and development. Exclude:

Entry		Description
		• Advisory and assistance services for research and development (object class 25.1, *Advisory and assistance services*). • Operation and maintenance of R&D facilities (object class 25.4, *Operation and maintenance of facilities*).
25.6	Medical care	Payments to private sector contractors as well as Federal agency contractors for medical care. Include: • Payments to Medicare contractors. • Payments to private hospitals. • Payments to nursing homes. • Payments to group health organizations for medical care services provided to veterans. • Payments to carriers by the Employees and retired employees' health benefits fund and the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). • Payments to HHS for medical care provided by Public Health Service officers. Exclude: • Contracts with individuals who are reportable under Office of Personnel Management regulations as Federal employees (object class 11.3, *Other than full-time permanent*, or 11.5, *Other personnel compensation*, as appropriate). • Payments to compensate casual workers and patient help (object class 11.8, *Special personal services payments*).
25.7	Operation and maintenance of equipment	Operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Include: • Storage and care of vehicles and storage of household goods, including those associated with a permanent change of station (PCS). • Operation and maintenance of information technology systems, including maintenance that is part of a rental contract, when significant and readily identifiable in the contract or billing. • Contractual services involving the use of equipment in the possession of others, such as computer time-sharing or data center outsourcing. Exclude:

Entry		Description
		• Rental of information technology systems, services and other rentals, which are classified in object class 23.3, *Communications, utilities, and miscellaneous charges.* • Contracts where the principal purpose is to develop or modernize software, which are classified in object class 31.0, *Equipment*.
25.8	Subsistence and support of persons	Contractual services with the public or another Federal Government account for the board, lodging, and care of persons, including prisoners <u>Exclude</u> travel items, which are classified under object class 21.0, *Travel and transportation of persons*, and hospital care, which is classified under object class 25.6, *Medical care*.
26.0	Supplies and materials	Commodities that are: • Ordinarily consumed or expended within one year after they are put into use. • Converted in the process of construction or manufacture. • Used to form a minor part of equipment or fixed property. • Other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. Include: • Office supplies, such as pencils, paper, calendar pads, notebooks, standard forms (except when specially printed or assembled to order), unprinted envelopes, other office supplies, and property of little monetary value, such as desk trays, pen sets, and calendar stands. • Publications, such as pamphlets, documents, books, newspapers, periodicals, records, cassettes, or other publications whether printed, microfilmed, photocopied, or otherwise recorded for auditory or visual use that are off-the-shelf rather than specially ordered by or at the request of the agency. <u>Exclude</u> publications acquired for permanent collections, which are classified under object class 31.0, *Equipment*. • Information technology supplies and materials, such as manuals, data storage media (CD-ROM, diskettes, digital tape), and toner cartridges for laser printers or fax machines. <u>Exclude</u> charges for off-the-shelf software purchases which should be classified in object class 25.1, *Advisory and assistance services*, if the purchase is an integral part of a consulting services contract, or object class 31.0, *Equipment*, if the purchase is considered equipment. • Chemicals, surgical and medical supplies. • Fuel used in cooking, heating, generating power, making artificial gas, and operating motor vehicles, trains, aircraft, and vessels.

Entry		Description
		• Clothing and clothing supplies, such as materials and sewing supplies used in manufacture of wearing apparel. • Provisions such as food and beverages. • Cleaning and toilet supplies. • Ammunition and explosives. • Materials and parts used in the construction, repair, or production of supplies, equipment, machinery, buildings, and other structures.
30	**ACQUISITION OF ASSETS**	This major object class covers object classes 31.0 through 33.0. Include capitalized (depreciated) assets and non-capitalized assets.
31.0	Equipment	Purchases of: • Personal property of a durable nature, that is, property that normally may be expected to have a period of service of a year or more after being put into use without material impairment of its physical condition or functional capacity. • The initial installation of equipment when performed under contract. Include: • Transportation equipment. • Furniture and fixtures. • Publications for permanent collections. • Tools and implements. • Machinery including construction machinery. • Instruments and apparatus. • Information technology hardware or software, custom and commercial off-the-shelf software, regardless of cost, such as central processing units (CPUs), modems, signaling equipment, telephone and telegraph equipment, and large scale system integration services. Exclude software that is an integral part of consulting services contracts, as defined in object class 25.1, *Advisory and assistance services*. Also exclude rental of information technology systems and services, which are classified under object class 23.3, *Communications, utilities, and miscellaneous charges*. • Armaments including special and miscellaneous military equipment. • Payments for lease-purchase contracts for information technology and telecommunications equipment.

Entry		Description
		Exclude: • Supplies and materials classified under object class 26.0, *Supplies and materials*; purchase of fixed equipment, which is classified under object class 32.0, *Land and structures*; and operation, maintenance and repair of equipment classified in object class 25.7, *Operation and maintenance of equipment.*
32.0	Land and structures	Purchase and improvement (additions, alterations, and modifications) of land and structures. Include: • Land and interest in lands, including easements and rights of way. • Buildings and other structures, including principal payments under lease-purchase contracts for construction of buildings. • Nonstructural improvements of land, such as landscaping, fences, sewers, wells, and reservoirs. • Fixed equipment when acquired under contract (whether an addition or a replacement). These are fixtures and equipment that become *permanently* attached to or a part of buildings or structures. Examples include elevators, plumbing, power-plant boilers, fire-alarm systems, lighting or heating systems, and air-conditioning or refrigerating systems. Include the cost of the initial installation when performed under contract. Exclude: • Routine maintenance and repair, which will be classified in object class 25.4, *Operation and maintenance of facilities*.
33.0	Investments and loans	Purchase of investments and loans. Include: • Stocks, bonds, debentures, and other securities that are <u>neither</u> U.S. Government securities <u>nor</u> securities of wholly-owned Federal Government enterprises. • Temporary or permanent investments. • Interest accrued at the time of purchase and premiums paid on all investments. *Note:* For credit "program" accounts and "liquidating" accounts, see section 185 for object classification related to defaults. There should be no object classification for credit "financing" accounts printed in the Appendix. However, the agency's financial system should continue to provide object class information for the "financing" accounts.
40	**GRANTS AND FIXED CHARGES**	This major object class covers object classes 41.0 through 44.0.
41.0	Grants, subsidies, and contributions	Cash payments to States, other political subdivisions, corporations, associations, and individuals.

Entry		Description
		Include: • Grants (including shared revenues). • Subsidies (including credit program costs). • Gratuities and other aid (including readjustment and other benefits for veterans, other than indemnities for death or disability). • Contributions to foreign countries, international societies, commissions, proceedings, or projects that are: 1. Lump sum or quota of expenses. 2. Fixed by treaty. 3. Discretionary grants. • Taxes imposed by State and local taxing authorities where the Federal Government has consented to taxation (excluding the employer's share of Federal Insurance Contribution Act taxes) and payments in lieu of taxes. *Note:* Obligations under grant programs that involve the furnishing of services, supplies, materials, and the like by the Federal Government, rather than cash, are not charged to this object class, but to the object class representing the nature of the services, articles, or other items that are purchased.
42.0	Insurance claims and indemnities	Benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. Include: Social insurance and retirement payments for individuals from special and **trust funds** for: • Social security. • Medicare. • Unemployment insurance. • Railroad retirement. • Federal civilian retirement. • Military retirement. • Other social insurance and retirement programs. Insurance payments from Federal insurance revolving funds, such as the Bank Insurance Fund, for: • Liquidation and insurance. • Litigation settlements due receivers and trustees.

Entry		Description
		• Working capital outlays. • Net case resolution losses. • Other unpaid resolution obligations, not otherwise classified. Other claim or indemnity payments: • To veterans and former civilian employees or their survivors for death or disability, whether service-connected or not. • Of claims and judgments arising from court decisions or abrogation of contracts; indemnities for the destruction of livestock, crops, and the like; damage to or loss of property; and personal injury or death. • To or for persons displaced as a result of Federal and federally assisted programs, as authorized under 42 U.S.C. 4622–4624. • For losses made good on Government shipments. • From liquidating accounts on guarantees where no asset is received and where forgiveness is not provided by law. *Note:* Classify other payments by Federal insurance revolving funds to the object classes to which they apply, for example classify premiums on investments in object class 33.0, Investments and loans, and interest expenses in object class 43.0, Interest and dividends).
43.0	Interest and dividends	Include: • Payments to creditors for the use of moneys loaned, deposited, overpaid, or otherwise made available. • Distribution of earnings to owners of trust or other funds. Interest payments under lease-purchase contracts for construction of buildings. Exclude the interest portion of the payment of claims when a contract has been delayed by the Government. Classify these costs under the same object class used for the original contract.
44.0	Refunds	Payments of amounts previously collected by the Government. Include: • Payments to correct errors in computations, erroneous billing, and other factors (see section 20.10). • Payments to former employees or their beneficiaries for employee contributions to retirement and disability funds (e.g., payments made when employees die before retirement or before their annuities equal the amount withheld). *Note*: In the account receiving the refund, previously recorded obligations will be reduced in the appropriate object class(es) by the amount of the refund, if the refund is received in the same year as the obligations are reported (see section 20.10).

Entry		Description
90	**OTHER**	This major object class covers object classes 91.0 through 99.5.
91.0	Unvouchered	Charges that may be incurred lawfully for confidential purposes and are not subject to detailed vouchering or reporting.
92.0	Undistributed	Charges that cannot be distributed to the object classes listed above. Use this object class only with the prior approval of OMB.
94.0	Financial transfers	This object class is used for obligations that represent financial interchanges between Federal government accounts that are not in exchange for goods and services.
99.0	Subtotal, obligations	This entry is automatically generated by MAX: • For *direct or allocation* account obligations, the subtotal stub entry should appear when more than one object class category is reported in a single account. For *reimbursable* obligations, the subtotal stub entry, "Reimbursable obligations," should appear, even if all reimbursable obligations are classified in a single object class category.
99.5	Below reporting threshold	Use this object class adjustment line when: • The sum for an object class entry is $500 thousand or less, that is, it is below the reporting threshold, *and* • The sum of *all* the below threshold amounts rounds to $1 million or more. There will be *only one* adjustment line per object class schedule. It will: • Follow the last subtotal (object class 99.0) for the schedule. • Be coded 9995 in MAX. Do not report amounts of more than $4 million in this object class, unless approved by OMB.
99.9	Total new obligations	This entry is automatically generated by MAX.

83.7 What object classes do I associate with civilian and military pay?

Civilian pay means the budgetary resources used to fund civilian compensation and benefits consistent with object classes 11.1 through 11.5 and 12.1.

Military pay means the budgetary resources used to fund military personnel compensation and benefits consistent with object classes 11.7 and 12.2.

83.8 How do I classify relocation expenses related to a permanent change of station (PCS)?

When an employee accepts a Federal position at a different location, such as at a different State, this is called a permanent change of station. An agency, at its discretion, may reimburse the employee for a variety of expenses related to the relocation. Follow the instructions in the table to classify these expenses among the object classes.

If the obligations are for ...	Then classify in object class ...
Transportation, per diem while in travel status, or reimbursement of actual travel expenses for the employee or the employee's immediate family	21.0 Travel and transportation of persons
Transportation of household goods, house trailers, and effects	22.0 Transportation of things
Storage and care of vehicles and household goods	25.7 Operation and maintenance of equipment
All other relocation expenses for *civilian* employees, such as: • Allowances for expenses incurred in connection with a sale of a residence or settlement of an unexpired lease. • Subsistence when occupying temporary quarters (in contrast to per diem while in travel status, above). • Reimbursements of amounts equal to income taxes incurred by transferred employees for moving or storage expenses under 5 U.S.C. 5724(b). • Contractual charges for relocation services under 5 U.S.C. 5724(c). • Miscellaneous moving expenses under 5 U.S.C. 5724(a).	12.1 Civilian personnel benefits
All other relocation expenses for *military* personnel	12.2 Military personnel benefits

83.9 How do I classify purchases related to information technology (IT)?

For some reason, we have had many questions on how to classify IT obligations among the various object classes. The general rule is to focus on the nature of the services, articles or other items for which obligations are first incurred. The following table shows the application of this rule.

If the obligations are for ...	Then classify in object class ...
IT services or the rental of IT equipment	23.3 Communications, utilities, and miscellaneous charges
Operation and maintenance of IT systems by the private sector	25.7 Operation and maintenance of equipment
Operation and maintenance of IT systems by another Federal Government account	25.3 Purchases of goods and services from Government accounts
IT hardware and software	31.0 Equipment
IT supplies and materials, such as manuals, diskettes, toner cartridge	26.0 Supplies and materials
IT consulting services in the form of:	25.1 Advisory and assistance services

If the obligations are for ...	Then classify in object class ...
• Management and professional support services. • Studies, analyses, and evaluations. • Engineering and technical services.	

83.10 How do I classify obligations for education and training?

We have also had many questions on how to classify education and training obligations among the various object classes. The general rule is to focus on the nature of the services, articles or other items for which obligations are first incurred. The following table shows the application of this rule.

If the obligations are for ...	Then classify in object class ...
Payments of tuition to universities or colleges leading to a degree, or for attendance at conferences	25.2 Other services
All other payments to a private sector company for training courses	25.1 Advisory and assistance services
Payments to other Federal government agencies for training courses	25.3 Purchases of goods and services from Government accounts
Cash allowances for the education of dependents that are provided as recruitment and retention incentives for civilian employees	12.1 Civilian personnel benefits
Payment to the loan holder (e.g., the bank) to repay an employee's student loan as a recruitment incentive	12.1 Civilian personnel benefits
Cash allowances for the education of dependents that are provided as recruitment and retention incentives for military personnel	12.2 Military personnel benefits

83.11 How do I classify obligations for real property (space, land, and structures)?

Classify obligations for the *purchase, including lease purchase, or improvement* (that is, alteration or modification) of real property in object class 32, *Land and structures.*

Classify the *rental or lease* of real property, as follows:

If the obligation are for ...	And if ...	Then classify in object class ...
Payment to another Federal government account	The other account is GSA's Federal Buildings Fund*	23.1 Rental payments to GSA
Payment to another Federal government account	The other account is NOT GSA's Federal Buildings Fund	Purchases of goods and services from Government accounts *Note:* The paying account must use this object class code but may change the title to "Rental

If the obligation are for ...	And if ...	Then classify in object class ...
		payments to GSA."
Payment to the private sector		23.2 Rental payments to others

* Classify amounts for the *standard* services, such as cleaning and security, covered by the *basic rental charge* assessed by GSA in object class 23.1, *Rental payments to GSA*. However, if the payment is for rent "related" services provided by GSA in addition to services provided under rental payments, for example, extra protection or extra cleaning, report the amounts under object class 25.3, *Purchases of goods and services from Government accounts*.

GSA operating delegations. When GSA *delegates* the operation of a facility back to an agency ("operating delegations"), the agency is in charge of operating the facility.

GSA bills for basic rental charges differ depending on whether the building is owned or leased by GSA.

For GSA-leased buildings, the GSA bills the total (gross) amount of the basic rental charge which includes a charge for operating the building. In these cases, the following transactions occur:

- GSA bills the agency for the *gross* amount of the basic rental charge.
- Agency records obligations in object class 23.1, *Rental payments to GSA*, and pays GSA's Federal Buildings Fund the *gross* amount.
- GSA *rebates* the amount for operating the facility back to the agency.
- Agency records the amount rebated as offsetting collections.
- If the agency, in turn, contracts with the private sector to clean the facilities, the obligations are classified in object class 25.4, *Operation and maintenance of facilities.*
- If the agency, in turn, contracts with another agency (for example, to guard the building), the obligations are classified in object class 25.3, Purchases of goods and services from Government accounts.

The above treatment will continue for rental of ***GSA-leased buildings***.

83.12 How do I classify obligations for Federal civilian retirement under the Civil Service Retirement System (CSRS)?

Use the following:

If the obligations are for ...	Then classify in object class ...
The accrual for the future retirement cost of current civilian personnel covered by CSRS that is charged to the accounts that pay direct compensation to those personnel. *Note:* The corresponding receipts credited to the civil service retirement and disability trust fund are treated as undistributed offsetting receipts (Employer share,	12.1 Civilian personnel benefits

If the obligations are for ...	Then classify in object class ...
employee retirement on the inter fund transaction line).	
The Government's share of retirement costs that amortize increases in the static unfunded liability created since October 20, 1969 by any statute which authorizes new or liberalized benefits, an extension of retirement coverage, or pay increases *Note:* This applies to OPM's "Payment to the Civil Service Retirement and Disability Fund" account only.	12.1 Civilian personnel benefits
Interest on the static unfunded liability and annuity disbursements attributable to military service and the payment to provide annuities to former spouses of annuitants who died between September 1978 and May 1986 and who did not elect survivor coverage *Note:* This applies to OPM's "Payment to the Civil Service Retirement and Disability Fund" account only.	13.0 Benefits for former personnel
Payments to CSRS retirees *Note:* This applies to OPM's "Civil Service Retirement and Disability Fund" account only.	42.0 Insurance, claims, and indemnities

83.13 How do I classify obligations for military retirement?

Since 1985, when the financing of military retirement changed to an accrual basis, the payments should be classified as follows:

If the obligations are ...	Then classify in object class ...
The accrual for the future retirement cost of current military personnel that is charged to the accounts that pay direct compensation to those personnel *Note:* The corresponding receipts credited to the military retirement trust fund are treated as undistributed offsetting receipts (Employer share, employee retirement on the inter fund transaction line).	12.2 Military personnel benefits
From general revenues to the military retirement fund to finance retirement costs for service prior to 1985 *Note:* This applies to the "Payment to Military Retirement Fund" account only.	13.0 Benefits for former personnel
Made to military retirees *Note:* This applies only to the "Military Retirement Fund" and the Veterans Affairs "Compensation and Benefits" accounts .	42.0 Insurance, claims, and indemnities

See also section 83.16 for the classification of Tricare benefits earned by all uniformed service members.

83.14 How do I classify intragovernmental transactions?

For payments between two Federal government accounts for:

- Relocation expenses, see section 83.8;
- Information technology, see section 83.9;
- Education and training, see section 83.10;
- Real property, see section 83.11;
- Federal civilian retirement under CSRS, see section 83.12; and
- Military retirement, see section 83.13.

For other payments between two Federal government accounts, classify the obligations as follows:

If the obligations are ...	Then classify in object class ...
Transfers by the paying account to reimburse the receiving account for an asset or a service *with a specific object class*	The paying account should classify the *direct* obligations in the object class that best describes the purchase, such as: 21.0 Travel and transportation of persons 22.0 Transportation of things 23.1 Rental payments to GSA 23.2 Rental payments to others 23.3 Communications, utilities, and miscellaneous charges 24.0 Printing and reproduction 25.1 Advisory and assistance services 25.4 Operation and maintenance of facilities 25.5 Research and development contracts 25.6 Medical care 25.7 Operation and maintenance of equipment 25.8 Subsistence and support of persons 26.0 Supplies and materials 31.0 Equipment 32.0 Land and structures 33.0 Investment and loans 43.0 Interest and dividends 44.0 *Refunds*
Transfers by the paying account to reimburse the receiving account for an asset or a service *without a specific object class*	25.3 *Purchases of goods and services from Government accounts.* Do not use this object class if a more specific object class applies.
Transfers that merely moves resources between Federal government accounts. Normally these transfers result from appropriations action or	94.0 Financial transfers *Note:* The paying account should report direct obligations in object class 94.0 and the receiving

If the obligations are ...	Then classify in object class ...
general transfer authority where the obligations are simply accounting transfers.	account should distribute the obligations as direct obligations in the appropriate object classes.

83.15 How do I classify obligations under the Intergovernmental Personnel Act (IPA)?

Under the IPA, a Federal employee, with his or her consent, may be assigned temporarily to a non-Federal organization.

- *Detailed Federal employees*. A detailed Federal employee continues to receive pay, allowances, and benefits from the Federal agency. In some cases, these costs are reimbursed by the non-Federal organization.

- *Federal employees on leave without pay (LWOP)*. A Federal employee on LWOP is paid by the non-Federal organization to which he or she is assigned. The salary paid by the non-Federal organization may be more or less than the employee's current Federal salary. If the rate of pay of the non-Federal organization is less, then the Federal agency may pay a supplemental salary to the employee.

Also under the IPA, an employee of a non-Federal organization may be assigned temporarily to a Federal agency either (1) with a temporary Federal appointment or (2) on detail.

- *Non-Federal employees with temporary Federal appointments*. A non-Federal employee with a temporary Federal appointment is paid by the Federal agency to which he or she is assigned. However, he or she is eligible to enroll in the Federal Employees Health Benefits program only if the Federal appointment results in the loss of coverage under the non-Federal health benefits system. He or she is not covered by any retirement system for Federal employees or by the Federal Employees Group Life Insurance Program.

- *Non-Federal employees detailed to a Federal Position*. A non-Federal employee who is detailed to a Federal agency continues to receive pay, allowances, and benefits from the non-Federal organization to which he or she is employed. In some cases these costs may be reimbursed by the Federal agency. In addition, if the non-Federal salary of the employee on detail is less than the minimum rate of pay for the Federal position, the Federal agency may supplement the salary to make up the difference.

Cost-sharing arrangements for IPA assignments are negotiated between the participating organizations. The Federal agency may agree to pay all, some, or none of the costs associated with an assignment. These include basic pay, supplemental pay, fringe benefits, and travel and relocation expenses. A Federal agency may not reimburse a non-Federal organization for indirect or administrative costs associated with the assignment.

Because of these cost-sharing arrangements you should use the following table to classify these obligations.

If the obligations are ...	And if the employees is ...	Then classify in object class ...
Regular salaries and wages	Federal full-time and on detail to a non-Federal organization	11.1 Full-time permanent

If the obligations are ...	And if the employees is ...	Then classify in object class ...	
	Federal but not full-time and on detail to a non-Federal organization Non-Federal with a temporary Federal appointment.	11.3	Other than full-time permanent
	Non-Federal on detail to a Federal agency to provide consulting services	25.1	Advisory and assistance services
	Non-Federal on detail to a Federal agency to provide services other than consulting	11.8	Special personal services payments
Supplemental pay	Federal on LWOP Non-Federal on detail	11.8	Special personal services payments
Cash incentive awards	Federal Non-Federal with a temporary Federal appointment (*Note:* you cannot give this type of award to a non-Federal employee who is detailed to a Federal position.)	11.5	Other personnel compensation
Travel or relocation expenses		See sections 83.5 and 83.9	
Other expenses		See section 83.5	

83.16 How do I classify obligations for Tricare benefits for uniformed service members?

Tricare is a regionally administered program which provides healthcare for uniform service members, retirees, survivors, and their families. This program combines healthcare resources of the Air Force, Army, and Navy while enhancing them with a variety of civilian healthcare professionals.

The National Defense Authorization Act replaces annual appropriations to the military personnel accounts of the Department of Defense (DoD) with permanent, indefinite appropriations from the General Fund of the Treasury. The Tricare accrual payments are made at the beginning of each year, instead of at the end of each month, and will be based on planned troop levels within the enacted DoD budget, instead of on the actual number of military personnel at the end of each month. The funding is shown in separate accounts for the Army, the Navy, the Marine Corps, the Air Force, the Army reserve, the Navy reserve, the Marine Corps reserve, the Air Force reserve, the Army National Guard and the Air Force National Guard. These accounts will, in turn, pay the accruals to the DoD Medicare-Eligible Retiree Health Care Fund.

Tricare benefits are earned by all current uniformed service members not just those in the DoD. This means that accounts for the Commissioned Corps in the Public Health Service in the Department of Health and Human Services, the United States Coast Guard in the Department of Homeland Security, and the Commissioned Corps in the National Oceanic and Atmospheric Administration in the Department of Commerce will also pay the accruals to the DoD Medicare-Eligible Retiree Health Care Fund.

In turn, the DoD Medicare-Eligible Retiree Health Care Fund pays the health benefits for retired members of the uniformed service.

If the obligations are ...	Then classify in object class ...
The employing agency contributions by the Department of Defense (DoD), the Department of Health and Human Services, the Department of Homeland Security, and the Department of Commerce to the special DoD Medicare-Eligible Retiree Health Care Fund to pay for *future* benefits earned by *current* uniformed service members. *Note:* The corresponding receipts deposited in the special fund receipt account are permanently appropriated to the DoD Medicare-Eligible Retiree Heath Care Fund expenditure account.	12.2 Military personnel benefits
The annual payment from the general treasury to finance the accrued unfunded liability of *retired* uniformed service members. This is paid to the Department of Defense Medicare-Eligible Retiree Heath Care Fund. *Note:* This applies to the "Payment to the Department of Defense Medicare-Eligible Retiree Health Care Fund."	13.0 Benefits for former personnel
Direct payments for uniformed service retirees. *Note:* This applies to the "DoD Medicare-Eligible Retiree Health Care Fund" account only."	42.0 Insurance, claims, and indemnities

83.17 How is object class information presented in MAX schedule O and the Appendix?

You must first enter all object class information in MAX schedule O in order to populate the Appendix with object class data. The *Appendix* presents object class information in tables called object class schedules, which display the object class codes, the object class titles, and the amounts of obligations in the past, current, and budget year.

MAX schedule O. Object class data are displayed in MAX on the basis of a 4–digit line number. This line number is made up of a *prefix* and a *3–digit object class code*. See the box on exhibit 83A for the type of obligations indicated by each prefix. Also, see exhibit 83A for a list of the 3–digit object class codes.

Note: The 3–digit object class code in MAX schedule O is the same 3–digit object class code in the *Appendix*, except that in the *Appendix* there is a decimal before the last digit. See section 83.7 for the definitions of the object classes.

Appendix schedules. The object class schedules in the *Appendix* present the 3–digit object class codes and the object class titles.

Normally, the *Appendix* will include a separate object class schedule for each P&F schedule that reports obligations (see exhibits 83B and 83C). However, when all obligations in a P&F schedule are classified in a *single object class,* there will be no object class schedule in the *Appendix*. Instead, the code for the appropriate object class will be identified in the P&F schedule in parentheses () at the end of the line for total new obligations. For example, if all obligations in a P&F are for grants, then "(object class 41.0)" will be at the end of the stub entry on line 10.00 of the P&F. Although there will be no object class schedule in the *Appendix*, you must enter the data in MAX schedule O.

Normally, the *Appendix* includes only one object class line for each object class code and uses the standard titles listed in section 83.7. However, you may insert additional object class lines in MAX and edit the standard titles. For example, to present employee travel separately from grantee travel in object class 21.0, *Travel and transportation of persons*, you may insert another line in MAX schedule O, edit the standard titles, and distribute the obligations between the two lines.

Allocations between agencies. In some cases, funds appropriated to the President or to an agency are allocated to one or more agencies that help to carry out the program. Obligations incurred under such allocations are included in the data for the account to which the appropriation was made in the allocating agency, that is, the parent account. You must enter the data in MAX schedule O. Use the appropriate prefix in the box on exhibit 83A as the first digit in the 4–digit line number. See exhibit 83C for an illustration of an *Appendix* galley of an object class schedule for a parent account with allocations.

83.18 When I report data in MAX schedule O will it generate subtotals or totals?

Yes. MAX will generate subtotals for different types of obligations from the amounts that you entered, as follows:

- For "reimbursable" obligations (lines 2XXX and 4XXX), MAX will automatically generate subtotal lines (2990 and 4990) when you enter "at least one" amount on lines 2XXX or 4XXX.

- For “direct” obligations (lines 1XXX and 3XXX), MAX will automatically generate subtotal lines (1990 and 3990) when you enter "more than one" amount on lines 1XXX, or 3XXX

MAX will generate "Total new obligations" on line 9999, when you enter more than one amount above this line.

Summary of Object Class Codes and Standard Titles (MAX Schedule O)

4-digit object class line number in MAX schedule O.

Prefix	Type of obligation
1xxx	Parent account—direct
2xxx	Parent account—reimbursable
3xxx	Allocation account—direct
4xxx	Allocation account—reimbursable

3-digit object class code	Standard Titles
	Personnel compensation and benefits
	Personnel compensation
X111	Full-time permanent
X113	Other than full-time permanent
X115	Other personnel compensation
X117	Military personnel
X118	Special personal services payments
X119	**Total personnel compensation***
X121	Civilian personnel benefits
X122	Military personnel benefits
X130	Benefits for former personnel
	Contractual services and supplies
X210	Travel and transportation of persons
X220	Transportation of things
	Rent, communications, and utilities
X231	Rental payments to GSA
X232	Rental payments to others
X233	Communications, utilities, and miscellaneous charges
X240	Printing and reproduction
	Other contractual services
X251	Advisory and assistance services
X252	Other services
X253	Other purchases of goods and services from Government accounts
X254	Operation and maintenance of facilities
X255	Research and development contracts
X256	Medical care
X257	Operation and maintenance of equipment
X258	Subsistence and support of persons
X260	Supplies and materials
	Acquisition of assets
X310	Equipment
X320	Land and structures
X330	Investments and loans
	Grants and fixed charges
X410	Grants, subsidies, and contributions
X420	Insurance claims and indemnities
X430	Interest and dividends
X440	Refunds
	Other
X910	Unvouchered
X920	Undistributed
X940	Financial transfers
X990	**Subtotal, obligations ***
9995	Below reporting threshold
9999	**Total new obligations ***

* Automatically calculated by MAX

Object Classification—Without Allocation Accounts

Report data rounded to the nearest million. If the total of amounts that fall below the threshold rounds to $1 million or more, report the total in object class 99.5. To determine the amount on line 99.5, add the below threshold amounts in thousands, and round the total to the nearest million.

DEPARTMENT OF GOVERNMENT
OFFICE OF THE SECRETARY
Salaries and Expenses

Use to show payments that do not represent salaries or wages paid directly to Federal employees (section 83.5).

VGOV08161166

S3643

Object Classification (in millions of dollars)

Identification code 09-2650-0-1-301		PY act.	CY est.	BY est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	113	112	115
11.3	Other than full-time permanent	3	3	3
11.5	Other personnel compenstation	3	3	3
11.8	Special personal services payments	1	1	1
11.9	Total personnel compensation	120	119	122
12.1	Civilian personnel benefits	24	24	25
23.1	Rental payments to GSA	23	23	24
25.4	Operation and maintenance of facilities	5	5	5
25.7	Operation and maintenance of equipment	1	1	1
99.2	Undistributed	....	4	4
99.0	Direct obligations	211	208	209
99.0	Reimbursable obligations	26	27	28
99.5	Below reporting threshold	1	2	2
99.9	Total new obligations	238	237	239

The reimbursable subtotal line will always appear whenever more than one category (e.g., direct, reimbursable, allocation, etc.) is reported and whenever any reimbursable obligations are reported in nonrevolving fund accounts.

Total new obligations and subtotals for direct and reimbursable obligations will agree with the corresponding amounts on the program and financing schedule.

Object Classification—With Allocation Accounts

Where there is only one allocation, the center heading and the subtotal line will contain the name of the organizational unit involved and the distribution below will be omitted.

This entry will agree with the total new obligations on the program and financing schedule.

In the distribution of total obligations, the parent organizational unit will be listed first, followed, as applicable, by (a) other bureaus within the same agency, and (b) other agencies in budget order.

DEPARTMENT OF GOVERNMENT
BUREAU OF PUBLIC WORKS
Construction

VGOV08161166
S3643

Object Classification (in millions of dollars)

Identification code 16-3044-0-1-452		PY act.	CY est.	BY est.
	BUREAU OF PUBLIC WORKS			
	Personnel compensation:			
11.1	Full-time permanent	47	54	56
11.3	Other than full-time permanent	2	3	3
11.5	Other personnel compenstation	1	1	1
11.9	Total personnel compensation	50	57	60
12.1	Civilian personnel benefits	9	12	12
21.1	Travel and transportation of persons	4	2	2
99.0	Subtotal, obligations, Bureau of Public Works	971	711	561
	ALLOCATION ACCOUNTS			
	Personnel compensation:			
11.1	Full-time permanent	23	27	28
11.3	Other than full-time permanent	1	2	2
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	25	30	31
12.1	Civilian personnel benefits	5	6	6
99.0	Subtotal, obligations, allocation accounts	60	55	50
		=====	=====	=====
99.9	Total new obligations	1,031	766	611

Obligations are distributed as follows:			
Bureau of Public Works	971	711	561
Bureau of Inspection	30	35	30
Department of the Interior	10	5	5
General Services Administration	20	20	25

SECTION 84—CHARACTER CLASSIFICATION (SCHEDULE C)

Table of Contents

Summary of Changes

Revises definition of line 1463-xx, U.S. Global Change Research Program (section 84.4).

84.1 What is the purpose of the character classification system?

We use character classification to distinguish between investment and non-investment activities. Investments finance activities that yield benefits largely in the future. We also use character classification to report data on grants to State and local governments separately from direct Federal programs. Character class line numbers include the following:

- Investment activities:
  - Lines 13xx, physical assets.
  - Lines 14xx, research and development (R&D).
  - Lines 15xx, education and training.

- Non-investment activities:
  - Lines 2xxx.

The classification system also allows for compilation of additional information on R&D funding that is used by OMB and others in the review of agency budget requests, Government-wide resource allocation, and R&D budget presentations.

See exhibit 84 for a summary of character classification line numbers. See section 84.4 for detailed descriptions of all of the line numbers that you must use to report character classification.

84.2 What terms do I need to know?

(a) *State or local governments*.

For preparing character classification data, State or local governments include the following:

- The 50 States and the District of Columbia.

- Cities, counties, townships, school districts, special districts, and other local governmental units, as defined by the Bureau of the Census.
- Puerto Rico, the Virgin Islands, and other U.S. territories.

- The Federated States of Micronesia, Marshall Islands, and Palau, if the payments are a relatively small part of the accounts that have grants to State or local governments.

- Indian Tribal governments when:

  - The legislation authorizing the payment includes such entities within the definition of eligible State or local units.

  - The Tribal government acts as a nonprofit agency operating under State or local auspices.

- Quasi-public nonprofit entities, such as community action agencies, when the boards of such entities must either be elected in State or local elections, or must include significant representation of State or locally-elected officials.

(b) *Grants to State and local governments*.

Report budget authority and outlays as grants to State and local governments if the Federal government's resources support State or local programs of government operations or provision of services to the public. For reporting character classification data for grants, include the following:

- Direct cash grants to State or local governmental units, to other public bodies established under State or local law, or to their designee.

- Payments for grants-in-kind, such as purchases of commodities distributed to State or local governmental institutions (e.g., school lunch programs).

- Payments to nongovernmental entities when such payments result in cash or in-kind services or products that are passed on to State or local governments, for example, payments to the Corporation for Public Broadcasting, or to the American Printing House for the Blind.

- Payments to regional commissions and organizations that are redistributed at the State or local level to provide public services.

- Payments to State and local governments for research and development that is an integral part of the State and local governments' provision of services to the general public (e.g., research on crime control financed from law enforcement assistance grants, or on mental health associated with the provision of mental rehabilitation services; see discussion below for exclusions related to research and development and payments for services rendered).

- Direct loan or loan guarantee subsidies to State or local governments.

- Shared revenues. These payments to State or local governments are computed as a percentage of the proceeds from the sale of certain Federal property, products, or services (e.g., payments from receipts of Oregon and California grant lands). Also included are tax or other collections by the Federal Government that are passed on to State or local governments (e.g., internal revenue collections for Puerto Rico).

Exclude the following:

- Federal administrative expenses associated with grant programs.

- Grants directly to profit-making institutions, individuals, and non-profit institutions not covered above, for example, payments to Job Corps centers and trainees.

- Payments for research and development not directly related to the provision of services to the general public, for example, basic research awarded via competitive grants.

- Payments for services rendered, for example, utility services, training programs and expenses for Federal employees, research and development for Federal purposes conducted under contracts, grants, or agreements by such agencies as the National Institutes of Health (NIH), the National Science Foundation (NSF), the Department of Energy (DOE), the National Aeronautics and Space Administration (NASA), and the Department of Defense (DOD).

- Federal grants to cover administrative expenses for regional bodies and other funds not redistributed to the States or their subordinate jurisdictions, for example, the administrative expenses of the Appalachian Regional Commission.

(c) *Direct Federal programs*.

Federal programs that are not classified as grants to State and local governments will be classified as direct Federal programs.

84.3 What do I need to know about reporting the data and relationships with other data requirements?

(a) *General requirements.*

- If an account has only one character class code, MAX will automatically generate the amounts for schedule C.

- Report credit program accounts related to investments (i.e., for physical assets, the conduct of research and development, or the conduct of education and training) net of offsetting collections.

- Report budget authority and outlays by subfunction.

- Do not report character class for credit financing accounts.

- OMB does not control centrally the addition or deletion of character classification codes of expenditure accounts. If the nature of an account changes or otherwise requires the use of different classes, you may add (or delete) the appropriate code and enter budget authority and outlays in MAX in that code without advance approval from OMB.

- If a transaction fits into more than one classification, report it in the classification category with the lowest numerical character classification code. For example, record amounts for construction of research and development facilities in the appropriate 13xx grouping, not in the 14xx grouping.

- If accounts are split between two or more character classifications, omit a classification involving less than $1 million in each of the three fiscal years, and include the amounts in some larger classification for that particular account.

- *Grants:* Report grants by BEA subcategory (e.g. discretionary or mandatory). In some cases, grants to State and local governments allow the recipient jurisdiction the option of using funds for current or investment-type purposes, such as in community development block programs. In such instances, record all of the budget authority and outlays for grants in the category where the majority of the funds are anticipated to be used.

- *Research and development:* Schedule C contains memorandum entries on lines 1463–xx through 1467–xx that supplement, and are a subset of, R&D information reported on lines 1311–xx through 1432–xx. Use the entries on lines 1463–xx through 1467–xx to report information on crosscutting R&D data for specific areas identified by the National Science and Technology Council (NSTC) and required by law.

(b) *Reporting offsetting collections (expenditure accounts).*

Offsetting collections are reflected in schedule C. The sum of budget authority and outlay entries in schedule C (excluding memorandum entries) will equal budget authority and outlays net of offsetting collections. In almost all cases, offsetting collections will be included in character class code 2004 (direct Federal, noninvestment) and netted from the other budget authority and outlays for that code as described below. An exception would be offsetting collections from the sale of physical assets (e.g. land, structures, equipment, or commodities), which will be reported as negative amounts in the corresponding physical asset character classes.

Identify first the budget authority and outlays for investments and grants (if any) and classify this spending in the appropriate character class code (i.e., character class codes 1xxxx, 2001, or 2003). For the remaining spending and offsetting collections, use character class code 2004 as a residual balancing entry to ensure that the sum of entries in schedule C add to total net budget authority and outlays. This means that in some cases, character class code 2004 amounts can be negative.

As an example, consider an account with net outlays of zero that receives $50 million in offsetting collections from the public and spends all of it. If half of the outlays are for direct Federal construction (non-R&D) (character class code 1314) and half for direct Federal noninvestment (character class code 2004), then character class code 1314 would show $25 million in outlays for construction, and character class code 2004 would show a net $–25 million. The $–25 million can be thought of two ways: as a residual balancing entry to ensure that total net outlays are zero, or as the sum of $25 million for direct Federal noninvestment, and $–50 million for collections from the public. The sum of all character class codes would add to net outlays and, in this example, would be zero.

(c) *Classifying activities financed by offsetting collections from Federal sources.*

If grants to State or local governments or investments are financed by payments from one Federal account to a second Federal account (i.e., offsetting collections from Federal sources), you must ensure that the amounts are recorded as grants or investments only once (i.e., ensure that they are not double-counted). As a general rule, the amounts should be recorded as follows:

- For all grants to State or local governments, record the grants in the second account, i.e., the account that actually makes the payment to the State or local government.

- For direct Federal investment (which includes all investments except grants to State or local governments), record the investment in the account that is primarily responsible for funding the investment. (Note that grants to research institutions are classified as direct Federal investment, not as grants to State or local governments.) This is usually the initial account. For example, if the Environmental Protection Agency provides funds to the National Science Foundation for research, record the R&D in the EPA account that funds the research, not in NSF. However, in certain cases, primary responsibility might occur in the second account. For example, regarding rental payments to the GSA Federal Buildings Fund, some of the rental receipts may ultimately be used for construction by GSA. In these situations, the investment should be recorded in the second account because primary responsibility for the investment would be in that account.

(d) *Reporting offsetting receipts (receipt accounts).*

You must also report offsetting receipts for PY through BY by character class in schedules K and R. OMB controls the character classification of offsetting receipts centrally, and you must ask your OMB representative to change the classification in the Budget Account Title (BAT) file before you can enter data under a different code. (See section 79.3 for proposing changes to the BAT file.)

Report character class information for collections deposited in offsetting receipt accounts in schedules K (baseline) and R (policy) using the instructions in section 81.3(d). You must use line 2004–xx for offsetting receipt accounts, with the following two exceptions:

- Report the proceeds from the sale of physical assets (e.g., land, structures, equipment, or commodities) in the corresponding physical asset character classes; and

- Report credit reform offsetting receipt accounts for downward reestimates and negative subsidies for investment-related programs (i.e., for physical assets or for the conduct of education and training) on the appropriate investment line number (i.e., 13xx or 1512).

(e) *Relationships with other data requirements.*

You should be able to reconcile information reported in this schedule related to the conduct of research and development with information reported in the National Science Foundation Annual Survey of Federal Funds for Research and Development (see description of line 14xx).

Actual outlays for past year grants and shared revenue must be consistent with the respective amounts reported to the Department of Commerce, Bureau of the Census, pursuant to the instructions regarding its "Federal Aid to States" publication.

(f) *Outyear projections.*

A–11 data will be reported for PY through BY. MAX will automatically generate outyear projections of grant outlays through BY+9 based on in-year data. Other entries will be shown through BY only.

For the projection of grant outlays, using an algorithm, MAX will assume that the percentage of grant outlays estimated for the outyears is the same as that reported in the BY. For example, if 18 percent of outlays in the account are on line 1511–02 (grant outlays for education and training) in BY, then 18 percent of net outlays will be estimated on line 1511–02 for each outyear. Agencies may view these outyear projections on-screen. If projections do not accurately reflect outyear policy, you may override the projections by entering the correct amounts (not percentages) directly into MAX.

84.4 How do I report character classification in MAX?

Character class data in schedules C, K, and R are identified by a line number that consists of a four-digit number and a two-digit suffix (xxxx–xx). The line number identifies data as investment or noninvestment, and as grants or direct Federal programs.

Classify all investment activities in the 1xxx series and all noninvestment activities in the 2xxx series. For credit program accounts, classify subsidies for direct loans and loan guarantees and their administrative expenses according to the purpose of the program. For example, credit subsidies for construction should be in the character class for construction and rehabilitation, and credit subsidies for the conduct of education should be in the character class for the conduct of education and training.

The two-digit suffix differentiates among budget authority, outlays, and offsetting receipts, as follows:

- 01—Budget authority.
- 02—Outlays.
- 03—Offsetting receipts.
- 04—Obligations (for climate change memorandum (non-add) R&D entries only).

Ensure that data are reported in the correct categories. For example, report data on R&D activities using the appropriate R&D character class entries. Report data on activities other than R&D in non-R&D character classes. Only some of the following codes apply to offsetting receipts; they are specifically noted below with an asterisk (*). All of the line numbers (except for the Memorandum (non-add) R&D entries) apply to budget authority and outlays.

The following table indicates the line numbers you use to report character classification. See exhibit 84 for a summary of the coding structure.

Entry	Description
1xxx INVESTMENT ACTIVITIES	Budget authority, outlays, or offsetting receipts for programs that yield benefits largely in the future.
13xx Physical assets:	Amounts for the purchase, construction, manufacture, rehabilitation, or major improvement of physical assets regardless of whether the assets are owned or operated by the Federal Government, States, municipalities, or private individuals. Physical assets are land, structures, equipment, and intellectual property (e.g., software) that have an estimated useful life of two years or more; and commodity inventories. The cost of the asset includes both its purchase price and all other costs incurred to bring it to a form and location suitable for its use.
131x Construction and rehabilitation:	Amounts for construction and rehabilitation, including both grants and direct Federal programs. Construction and rehabilitation means the design and production of fixed works and structures or substantial alterations to such structures or land. Includes new works and major additions, alterations, improvements to and replacements of existing works. Excludes preliminary surveys, maintenance, repair, administration of such facilities and other Federal operating expenses.
Research and development facilities: 1311–xx Grants to State and local governments 1312–xx Direct Federal programs	Amounts for the construction and rehabilitation of research and development facilities (see category 14xx for the definition of research and development). Includes the acquisition, design, and construction of, or major repairs or alterations to, all physical facilities for use in R&D activities. Facilities include land, buildings, and fixed capital equipment, regardless of whether the facilities are to be used by the Government or by a private organization, and regardless of where title to the property may rest. Includes the international space station and such fixed facilities as reactors, wind tunnels, and particle accelerators.

Entry	Description
	Include: • Construction of R&D facilities only. Exclude: • Other facility funding (show on line 1313–xx or 1314–xx). • Movable R&D equipment (show on line 132x–xx).
Other construction and rehabilitation:	Amounts for all other construction and rehabilitation.
1313–xx Grants to State and local governments	
1314–xx Direct Federal programs	
132x Major equipment:	Amounts for identifiable items of major equipment, including information technology (see section 53), vehicles, ships, machine tools, aircraft, tanks, satellites and other physical assets in space, and nuclear weapons. Excludes routine purchases of ordinary office equipment or furniture and fixtures. However, where there are major programs for acquisition of equipment, includes all equipment purchases.
Research and development equipment: 1321–xx Grants to State and local governments 1322–xx Direct Federal programs	Amounts for major equipment for research and development. (See category 14xx for the definition of research and development.) Includes acquisition or design and production of movable equipment, such as spectrometers, research satellites, detectors, and other instruments. At a minimum, this line should include programs devoted to the purchase or construction of R&D equipment.
Other major equipment:	Amounts for all other major equipment.
1323–xx Grants to State and local governments	
1324–xx Direct Federal programs	
Commodity inventories: 1330–xx* Direct Federal programs	Amounts for federally-owned commodities held for resale or in stockpiles.
Proceeds from the sale of commodities	Offsetting receipts collected from the sale of federally-owned commodities that were previously purchased by the government or from reduction in stockpiles.
Purchases and sales of land and structures for Federal use: 1340–xx* Direct Federal programs	Amounts for purchase, including lease-purchases, of land and structures for use by the Federal Government and sales of such land and structures. Includes office buildings and park and forest lands. Does not include land or structures acquired as temporary inventory, such as collateral on defaulted loans.
Receipts from sales of property or assets	Offsetting receipts collected from sales of federally-owned property or assets used by the Federal Government. Includes office buildings and park and forest lands.
Other physical assets:	Amounts for all other physical assets, such as conservation, reforestation and range improvements;

Entry	Description
1351–xx Grants to State and local governments 1352–xx* Direct Federal programs	grants to State or local governments for the purchase of land or structures; and amounts for certain privately-held assets, including improvements to private farms, land and structures acquired as collateral on defaulted loans, and sales of such land and structures. Does not include operation and maintenance of land and structures.
Receipts from sales of other physical assets	Offsetting receipts collected from the sale of physical assets not used by the Federal Government. Includes sales of assets obtained by the Federal Government as collateral on defaulted loans.
14xx Conduct of research and development (R&D):	Research and development (R&D) activities comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications. Include: • Administrative expenses for R&D. Exclude: • Physical assets for R&D such as R&D equipment and facilities (show on lines 13xx). • Routine product testing, quality control, mapping, collection of general-purpose statistics, experimental production, routine monitoring and evaluation of an operational program, and the training of scientific and technical personnel. Definitions of basic and applied research and development are provided below. You should be able to reconcile information reported in this schedule with information subsequently reported in the National Science Foundation Annual Survey of Federal Funds for Research and Development.
Basic research: 1411–xx Grants to State and local governments 1412–xx Direct Federal programs	Basic research is defined as systematic study directed toward fuller knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications towards processes or products in mind. Basic research, however, may include activities with broad applications in mind.
Applied research: 1421–xx Grants to State and local governments 1422–xx Direct Federal programs	Applied research is defined as systematic study to gain knowledge or understanding necessary to determine the means by which a recognized and specific need may be met.
Development: 1431–xx Grants to State and local governments 1432–xx Direct Federal programs	Development is defined as systematic application of knowledge or understanding, directed toward the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements.

Entry		Description
Memorandum (non-add) R&D entries:		
Conduct of National Science and Technology Council (NSTC) crosscuts:		
1463–xx	U.S. Global Change Research Program Report budget authority (1463–01), outlays (1463–02), and obligations (1463–04).	Activities in which the primary focus is on: • Observations, research, and analysis of climate change and its underlying causes. • Managing data in support of climate research and applications. • Modeling and predicting climate change and its impacts at global, regional, and local scales. • Analyses of climate impacts, the vulnerability of ecosystems, human health, and socioeconomic activity to climate, and implications and efficacy of adaptation options. • Decision support tools that inform climate adaptation and mitigation, but this crosscut does not include activities that implement adaptation and mitigation strategies. Communication of information related to the aforementioned activities. Procurement, acquisition, and construction in support of activities mentioned above should also be included if the project primarily supports climate science. P.L. 101–606 requires this program crosscut.
1464–01	Networking and information technology R&D (Report budget authority only.)	OMB will work with the agencies to collect data on the following program component areas of networking and information technology R&D as required by P.L. 102–194: • *High-end computing infrastructure and applications* to extend the state of the art in high-end computing systems, infrastructure supporting these systems, and advanced applications. • *High-end computing R&D* to optimize the development and performance of future generations of high-end computing systems. • *Cyber security and information assurance* to protect computer-based systems from actions that compromise or threaten to compromise the authentication, availability, integrity, or confidentiality of these systems and/or the information they contain. • *Human computer interaction and information management* to expand human capabilities and

Entry		Description
		knowledge through information use and management by computer systems and humans working with information technologies. • *Large scale networking* to extend the state of the art in networking architectures, technologies, services, security, and enhanced network performance. • *Software design and productivity* to advance software engineering concepts, methods, techniques, and tools that result in more usable, dependable, cost effective, and sustainable software intensive systems. • *High confidence software and systems* to advance science enabling the routine production of certifiably dependable, safe, secure complex computing and cyber-physical systems (IT-enabled engineered systems). • *Social, economic, and workforce implications of IT and IT workforce development* to advance the science of socio-technical systems, including understanding the co-evolution of IT and social and economic systems; develop the workforce of the 21st century; and develop innovative IT applications in education and training. P.L. 102–194 requires this program crosscut.
1465–01	National nanotechnology initiative (Report budget authority only.)	Research and development concerning the understanding and control of matter at dimensions between approximately 1 and 100 nanometers, where unique phenomena enable novel applications. Such research and development involves imaging, measuring, modeling, and manipulating matter at this length scale. OMB will work with the agencies to collect data on the following program component areas of nanotechnology R&D as required by P.L. 108–153: • *Fundamental nanoscale phenomena and processes:* Discovery and development of fundamental knowledge pertaining to new phenomena in the physical, biological, and engineering sciences that occur at the nanoscale. Elucidation of scientific and engineering principles related to nanoscale structures, processes, and mechanisms. • *Nanomaterials:* Research aimed at the discovery of novel nanoscale and nanostructured materials and at a comprehensive understanding of the properties of nanomaterials (ranging across length scales, and including interface interactions). R&D

Entry	Description
	leading to the ability to design and synthesize, in a controlled manner, nanostructured materials with targeted properties. • *Nanoscale devices and systems:* R&D that applies the principles of nanoscale science and engineering to create novel, or to improve existing, devices and systems. Includes the incorporation of nanoscale or nanostructured materials to achieve improved performance or new functionality. To meet this definition, the enabling science and technology must be at the nanoscale, but the systems and devices themselves are not restricted to that size. • *Instrumentation research, metrology, and standards for nanotechnology:* R&D pertaining to the tools needed to advance nanotechnology research and commercialization, including next-generation instrumentation for characterization, measurement, synthesis, and design of materials, structures, devices, and systems. Also includes R&D and other activities related to development of standards, including standards for nomenclature, materials, characterization and testing, and manufacture. • *Nanomanufacturing:* R&D aimed at enabling scaled-up, reliable, and cost effective manufacturing of nanoscale materials, structures, devices, and systems. Includes R&D and integration of ultra-miniaturized top-down processes and increasingly complex bottom-up or self-assembly processes. • *Major research facilities and instrumentation acquisition:* Establishment of user facilities, acquisition of major instrumentation, and other activities that develop, support, or enhance the Nation's scientific infrastructure for the conduct of nanoscale science, engineering, and technology research and development. Includes ongoing operation of user facilities and networks. • *Environmental, health, and safety:* Research primarily directed at understanding the environmental, health, and safety impacts of nanotechnology development and corresponding risk assessment, risk management, and methods for risk mitigation. • *Education and societal dimensions:* Education-related activities such as development of materials for schools, undergraduate programs, technical training, and public communication, including outreach

Entry	Description
	and engagement. Research directed at identifying and quantifying the broad implications of nanotechnology for society, including social, economic, workforce, educational, ethical, and legal implications.
1466-xx Climate change technology programs Report budget authority (1466-01), outlays 1466-02), and obligations (1466-04).)	Activities focused on: Approved research, development, and deployment activities classified as part of the Climate Change Technology Program (CCTP) must be activities that are relevant to providing opportunities for the following: • Current and future reductions in or avoidances of emissions of greenhouse gases; • Greenhouse gas capture and/or long-term storage, including biological uptake and storage; • Conversion of greenhouse gases to beneficial use in ways that avoid emissions to the atmosphere; • Monitoring and/or measurement of GHG emissions, inventories and fluxes in a variety of settings; • Technologies that improve or displace other GHG emitting technologies, such that the result would be reduced GHG emissions compared to technologies they displace; • Technologies that could enable or facilitate the development, deployment and use of other GHG-emissions reduction technologies; • Technologies that alter, substitute for, or otherwise replace processes, materials, and/or feedstocks, resulting in lower net emission of GHGs; • Technologies that mitigate the effects of climate change, enhance adaptation or resilience to climate change impacts, or potentially counterbalance the likelihood of human-induced climate change; and • Basic research activities undertaken explicitly to address a technical barrier to progress of one of the above climate change technologies. • Greenhouse gas emission reductions resulting from clear improvements in management practices or purchasing decisions. P.L. 101–606 requires this program crosscut.

Entry		Description
1467-xx	Climate change international assistance (Report budget authority (1467-01), outlays (1467-02), and obligations (1467-04).)	Activities focused on: • Support for the United Nations Framework Convention on Climate Change and the Intergovernmental Panel on Climate Change • Climate-related projects under the Global Environment Facility • Climate-related projects under the Tropical Forest Conservation Act. • International assistance activities under the Asia-Pacific Partnership on Clean Development and Climate. P.L. 101–606 requires this program crosscut.
15xx	**Conduct of education and training:**	Amounts for programs whose primary purpose is education, training, and vocational rehabilitation. Includes veterans' education and training; operating assistance for elementary, secondary, vocational, adult, and higher education; agricultural extension services; and income support activities directly contingent upon participating in such programs. Excludes training of military personnel or other persons in government service. Also excludes amounts for physical assets, which are classified in 13xx, and amounts for the conduct of research and development, which are classified in 14xx.
1511–xx	Grants to State and local governments	
1512–xx*	Direct Federal programs	
	Receipts from education and training	Offsetting receipts for negative subsidies, and downward reestimates of loan subsidies that are associated with the conduct of education and training.
2xxx	**NON–INVESTMENT ACTIVITIES**	Amounts that are not classified as investment activities.
Grants to State and local governments:		Grant amounts that are not classified as investment activities.
2001–xx	Other than shared revenues	
2003–xx	Shared revenues	
2004–xx*	Direct Federal programs	Amounts for all other non-investment activities, including offsetting collections (see 84.3 (b) for exceptions). This is a residual balancing entry to ensure that the sum of all items in schedule C equals total budget authority and outlays net of offsetting collections. Includes transactions related to credit liquidating accounts.
	All other offsetting receipts	Offsetting receipts collected and deposited in receipt accounts that are not otherwise classified.

Summary of Character Classification Codes (Schedule C)

4 digit prefix	Standard titles
	INVESTMENT ACTIVITIES
	Physical assets:
	Construction and rehabilitation:
1311-xx[1]	Research and development facilities: Grants
1312-xx	Research and development facilities: Direct Federal programs
1313-xx[1]	Other construction and rehabilitation: Grants
1314-xx	Other construction and rehabilitation: Direct Federal program
	Major equipment:
1321-xx[1]	Research and development equipment: Grants
1322-xx	Research and development equipment: Direct Federal programs
1323-xx[1]	Other major equipment: Grants
1324-xx	Other major equipment: Direct Federal programs
1330-xx	Commodity inventories: Direct Federal programs
1340-xx	Purchases and sales of land and structures for Federal use: Direct Federal programs
1351-xx[1]	Other physical assets: Grants
1352-xx	Other physical assets: Direct Federal programs
	Conduct of research and development:
1411-xx[1]	Basic research: Grants
1412-xx	Basic research: Direct Federal programs
1421-xx[1]	Applied research: Grants
1422-xx	Applied research: Direct Federal programs
1431-xx[1]	Development: Grants
1432-xx	Development: Direct Federal programs
	Memorandum (non-add) R&D entries:
	National Science and Technology Council (NSTC) crosscuts:
1463-xx	U.S. Global Change Research Program
1464-01	Networking and information technology R&D
1465-01	National nanotechnology initiative
1466-xx	Climate change technology programs
1467-xx	Climate change international assistance
	Conduct of education and training:
1511-xx[1]	Grants
1512-xx	Direct Federal programs
	NON-INVESTMENT ACTIVITIES
2001-xx[1]	Grants-other than shared revenues
2003-xx[1]	Grants-shared revenues
2004-xx	Direct Federal programs (residual)

Schedule C's 6 digit line numbers are comprised of a 4 digit prefix and a 2 digit suffix.

2 digit suffix:
xxxx-01 Budget authority
xxxx-02 Outlays
xxxx-03 Offsetting receipts
xxxx-04 Obligations (for 1463-xx, 1466-xx, and 1467-xx only)

Totals for budget authority and outlays reported in schedule C must equal those reported in schedule A net of offsetting collections.

The ten shaded categories should add to the agency's R&D total.

Memorandum (non-add) entries for R&D. These lines are a subset of data reported on lines 1311-xx through 1432-xx.

[1] You must report budget authority and outlays for grants by BEA subcategory (e.g. discretionary or mandatory).

SECTION 85—ESTIMATING EMPLOYMENT LEVELS AND THE EMPLOYMENT SUMMARY (SCHEDULE Q)

Table of Contents

Reporting Employment Levels

Summary of Changes

Updates compensable days and hours used in computing FTE (section 85.5).

85.1 How should my agency's budget address workforce planning and restructuring?

Your budget submission must identify the human capital management and development objectives, key activities, and associated resources that are needed to support agency accomplishment of programmatic goals.

Furthermore, your budget submission should describe the specific activities and/or actions planned to meet the standards for success under human capital initiatives, the associated resources, the expected outcomes, and how performance will be measured. For example, you should:

Identify the organizational changes you are proposing to:

- Reduce the number of managers, reduce organizational layers, and reduce the time it takes to make decisions.

- Increase the span of control and redirect positions within the agency to ensure that the largest number of employees possible are in direct service delivery positions and retrain and/or redeploy employees as part of restructuring efforts to make the organization more citizen centered.

Identify the training, development, leadership development, and staffing actions you propose to take to:

- Ensure continuity of leadership.
- Ensure that leaders and managers effectively manage people.
- Sustain a learning environment that drives continuous improvement in performance.
- Prepare for and respond to changes driven by e-Government and competitive sourcing.

Present agency competency and skill needs (or gaps) you identify as part of your workforce planning effort and how you plan to address those needs through recruitment, development, and related strategies.

85.2 What terms do I need to know?

Employee, as defined in 5 U.S.C. 2105, means an officer or individual who is appointed under a delegated authority, is engaged in the performance of a Federal function, and is subject to the supervision of an officer or employee of the Federal Government.

Full-time equivalent (FTE) employment means the total number of regular straight-time hours (i.e., not including overtime or holiday hours) worked by employees divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, compensatory time off and other approved leave categories are considered "hours worked" for purposes of defining full-time equivalent employment that is reported in the employment summary (see section 85.6). This definition is consistent with guidance provided by the Office of Personnel Management (OPM) in connection with reporting FTE data as part of the SF 113G reporting system. A list of compensable days (with associated hours) is provided in section 85.5(b).

85.3 What should be the basis for my personnel estimates?

(1) *Staffing requirements*. Base estimates for staffing requirements on the assumption that improvements in skills, organization, procedures, and supervision will produce a steady increase in productivity. Personnel should be reassigned, to the maximum extent, to meet new program requirements. Use personnel currently funded to the maximum extent in staffing new programs and expansions of existing programs. These actions should be part of your agency's overall human capital strategy, and reflected in the integrated performance plan (see section 220). Reductions generally should be planned where the workload is stable. Where information technology systems are installed or enhanced, gains in productivity should result in lower personnel requirements after the first year. You should be prepared to explain the assumptions underlying staffing requirement adjustment upon request.

Where appropriate, use calculations converting workload to required personnel that include an estimate of available workhours per employee. You should exclude annual leave, sick leave, administrative leave, training, and other non-work time from these calculations. Base estimates of available time on current data, reflect steps taken to improve the ratio of available time to total time, and recognize differences in available time by organization, location, or activity. Base exclusions for annual and sick leave on current experience of actual leave taken rather than leave earned. Employment levels should reflect budget proposals and assumptions with regard to workload, efficiency, proposed legislation, interagency reimbursable arrangements, and other special staffing methods. Employment intended for proposed legislation, or for carrying out proposed supplemental appropriations, cannot begin until the additional funds become available by congressional action. Employment proposed for activation of new facilities or start-up of new programs cannot begin until the new activity begins. Employment under estimated reimbursable arrangements also cannot begin until such arrangements have been negotiated and justified.

(2) *Personnel resources.* Base estimates of personnel resources on the total number of regularly scheduled straight-time hours (worked or to be worked) in the fiscal year (see section 85.5(b)). Note that, although budgetary resources must be sufficient to cover any extra compensable days in a fiscal year, some of the corresponding outlays may not occur until the following year.

(3) *Requirement for FTE data*. Wherever entries in schedules or materials required by this Circular pertain to personnel requirements or total employment levels, state such entries for all years in terms of FTEs, as defined in section 85.2, unless another measure is explicitly required. For military employment, see section 85.8.

85.4 What is the requirement for reporting employment data to OMB via OPM?

With the exception of some national security functions, agencies with Federal civilian employees are required to report both monthly personnel data and FTE data to the Office of Personnel Management. OPM then provides this information to OMB. Agency personnel strength is reported using Standard Form 113A and FTE data is reported using Standard Form 113G. All 113 series reports are due to OPM not later than the 15th of the month following the report month. See OPM's Operating Manual for the SF-113 Summary Data Reporting System for additional detail and reporting guidance at http://www.opm.gov/feddata/reporting.asp.

85.5 What do I need to know about FTE budgeted levels?

(a) *Policy*

Consistent with the general policy of making the most effective use of Government resources, each agency head will ensure close management of budgeted FTE levels for their agency. Agencies should not convert the work of their employees to contractors unless they first undertake cost comparisons that demonstrate that such a conversion is of financial advantage to the Government (see OMB Circular A–76).

(b) *Determining FTE usage.*

You must prepare budget estimates relating to personnel requirements in terms of FTE employment as specified in this Circular.

To determine current year and budget year FTE employment estimates, divide the estimated total number of regular hours by the number of compensable hours in each fiscal year. The table below shows the number of compensable hours for several fiscal years. However, in order to take advantage of existing payroll data, agencies may compute prior year FTE actuals using the regular hours obtained from their pay systems (normally based on 26 bi-weekly pay periods) and divide by a constant 2,080 hours (also see OPM Operating Manual, The Standard Form 113 Summary Data Reporting System).

COMPENSABLE DAYS AND HOURS FOR CURRENT AND FUTURE FISCAL YEARS

Year	Days	Hours
2009........................	261	2,088
2010........................	261	2,088
2011........................	261	2,088

FTE employment levels apply to straight time hours only. Include foreign national *direct* hire employees in your FTE employment totals. FTEs funded by allocations from other agencies will be included with the performing agency where the employees work and are paid (see section 85.7).

Be sure to include in FTE employment estimates for all Federal employees, including persons appointed under the Worker Trainee Opportunity Program, Presidential Management Fellows, Federal Cooperative Education Program, summer aids, Stay-in-School Program, and the Federal Junior Fellowship Program.

(c) *Justification and estimates of FTE usage.*

The FTE estimates for each agency are determined at the time of the annual budget review, for the fiscal year in progress and for the succeeding fiscal year. In addition, you must ensure that the FTE estimates are consistent with all applicable laws. In particular, some statutes providing agencies with authority to use voluntary separation incentive proposals (or "buy-outs") stipulate that agency-wide FTE levels must be reduced one-for-one for each buy-out. Further, FTE estimates must represent an effective and efficient use of resources to meet program requirements.

Actual FTE usage reported in the PY column of the budget must equal the year-end FTE usage reported on the SF 113G to OPM (see section 85.8).

Current year FTE estimates should be consistent with PY actuals, should be fully funded, and should be very close to the actual usage reported at the end of the fiscal year. For example, the 2007 estimate in the FY 2008 Budget should be very close to the 2007 actuals published in the 2009 Budget.

(d) *FTE transfers between agencies.*

Prior to entering into new or expanded agreements to perform work for other agencies on a reimbursable basis, you must prepare a cost justification in accordance with OMB Circular No. A–76. As part of this agreement, you may transfer FTEs on a one-for-one basis, provided that you notify OMB prior to making such a transfer. You may proceed with the FTE transfer fifteen days after notification to OMB, unless OMB objects.

(e) *Adjustment requests*

Send all requests for adjustments in employment levels, including agreements to transfer FTEs between agencies, to your OMB representative.

85.6 What do I need to know about the employment summary (schedule Q)?

This schedule shows the total full-time equivalent (FTE) civilian employment of straight-time compensable workyears (i.e., not overtime) financed by an account for PY through BY. FTE employment excludes estimates for terminal leave and overtime hours. The method for calculating FTE employment is described in section 85.5. You must provide a employment summary when an account contains an entry for either direct or reimbursable personnel compensation in the object class schedule (i.e., object class entry 11.1 or 11.3 (see section 83.7)). You must also provide a employment summary when employees are compensated via an allocation account. For reimbursable and allocation FTE arrangements, see the discussion on their budget schedule treatment in section 85.7. This schedule also shows military average strength employment as discussed in section 85.9.

The definition of object class 11.1 stipulates that compensation must be included for all workdays in the fiscal year. You must ensure that FTE levels in the employment summary and funding for FTEs in the object class schedule are reported consistently.

You must also ensure that agency-wide FTE totals agree with the negotiated levels in the current and budget years. Prior year FTEs in the employment summary must equal the year-end FTE usage that your agency reported on the SF 113–G to the Office of Personnel Management (OPM).

When entering FTE data in schedule Q, use the four-digit line numbering scheme described in the following table:

EMPLOYMENT SUMMARY (SCHEDULE Q)

Entry	Description
Xxxx	The first digit of the line number distinguishes between direct, reimbursable, and other categories, consistent with the reporting of data in the object classification schedule (see section 83.5). Use the following codes: 1—direct 2—reimbursable 3—allocation account 6—limitation account-direct 7—limitation account-reimbursable
xXxx	The second digit of the line number distinguishes between civilian and military employment. Use the following codes: 0—civilian employment 1—military employment
xx0x	The third digit is 0.
xxx1	The fourth digit is 1.

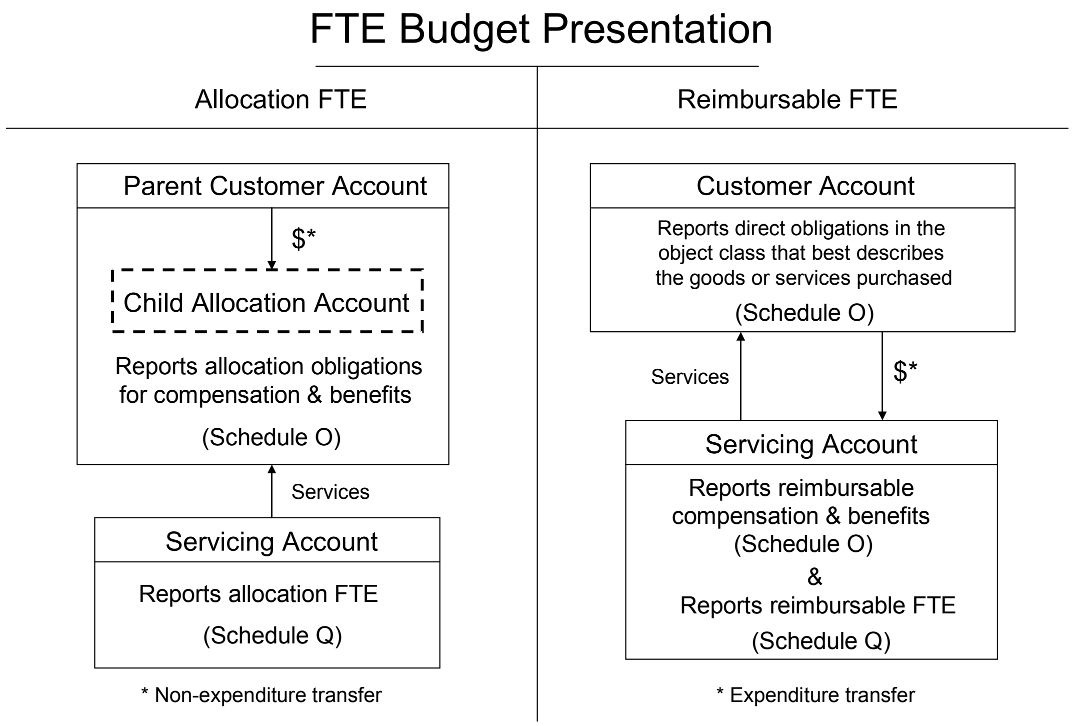
85.7 Are allocation and reimbursable FTE presented differently in the Budget?

Yes, FTE financed by allocation and reimbursements are presented differently as depicted in the diagrams below. In an allocation arrangement, one account acts as the parent account. The parent account is the account that receives the budget authority. In addition, a child allocation account is tied to the parent account for budget execution purposes. The child allocation account receives funding from the parent account in the form of a non-expenditure transfer. The compensation and benefit obligations are reported as allocation account lines in the parent account's schedule O. The servicing account is the account that provides the services performed by the allocation FTE. The servicing account may be within the same agency as the parent account or within a separate agency. The servicing account reports the FTE as allocation lines in schedule Q, but does not report obligations in schedule O. Therefore, the FTE are not reported in the parent account, but rather in the servicing account. For example, if legislation mandates that OMB allocate funds to an account for printing and reproduction workload in the Government Printing Office, then OMB will report allocation obligations in schedule O and the Government Printing Office will report allocation FTE in schedule Q.

In a reimbursable arrangement, the customer account receives the services and reports direct obligations in the object class that best describes the services received (e.g., printing and reproduction). The transfer of funds to the servicing account is accomplished in the form of an expenditure transfer. The servicing accounts reports reimbursable compensation and benefit obligations in schedule O. Likewise, the reimbursable FTE are reported in schedule Q of the servicing account.

85.8 How does OMB check prior year civilian FTE totals (actuals) in the Budget?

Agencies use the Office of Personnel Management (OPM) SF–113G reporting system to submit their actual civilian FTE data to OPM each month. OPM transfers these data to OMB on a monthly basis, and provides OMB with total FTEs by agency for the fiscal year that ends 30 September. During budget season, OMB compares the OPM totals to the prior year FTE data that agencies enter in their MAX A–11



employment summaries (schedule Q). For the FY 2009 Budget, OMB will provide a diagnostic report on our website showing the status of FTE data in MAX. For agency MAX users, the prior-year lock will apply to schedule Q in accordance with the schedule included in section 25.

The OMB and OPM employment totals must match at the agency level. If you believe the OPM reported total is not correct, please work with OPM to change the total in OPM's SF–113G system. Once OPM revises the total, OMB will revise its control total. In the vast majority of cases, the original total reported to OPM is correct, and the agency must adjust the PY column in one or more accounts (schedule Q) so that the FTEs in MAX agree with the FTEs reported to OPM. Lastly, OPM does not collect military employment data. For military employment, see section 85.9.

85.9 How do I account for active duty military personnel in the Budget?

Your budget submission should also account for all active duty personnel in the seven Uniformed Services. These Services include the Army, Air Force, Navy, Marines, Coast Guard, plus the NOAA and PHS Commissioned Corps. Since active duty personnel are always full-time employees, attempting to compute full-time equivalents is not appropriate. Therefore, for active duty personnel, "average strength" data is used in place of FTEs for the prior fiscal year. Estimate average strengths for current and budget years as well. For the non-DoD Uniformed Services, record military average strengths in the MAX A–11 employment summaries using the line designated for military (see section 85.6 regarding schedule Q line numbers). The Department of Defense will continue to provide military employment data directly to their OMB representative.

85.10 Are there other places in A–11 where I can find related guidance?

See the following table for additional guidance on Federal employment:

Other Federal employment guidance and A–11 links	Section
How do I report Federal employees at overseas embassies, consulates, etc?	25.5
How should I estimate personnel compensation in my Budget request	32.1
What FTE-related information should I provide in my justification materials?	51.4
How do I present FTE costs for IT and E-Gov initiatives (Exhibit 53)?	53
Will OMB request FTE plans to support apportionment requests?	120.26
How should I address workforce adjustments in my strategic plan?	210.1
How do I present FTE costs for my capital asset plan (Exhibit 300)?	300

SECTION 86—SPECIAL SCHEDULES

Table of Contents

86.1 What do I need to know about balance sheets (schedule F)?

(a) *General instructions.*

The balance sheet provides information on program assets, liabilities, and net position and is used to assess the resources available for Federal programs for PY–1 through PY.

You must submit balance sheets for:

- All Government-sponsored enterprise funds;
- All credit liquidating and financing accounts;
- Financing vehicles; and
- Revolving funds, when specifically required by OMB.

For budget presentation purposes, data in program and financing schedules (MAX schedule P) fulfill the legal requirement in 31 U.S.C. 9103 for "business-type budget" information on wholly-owned Government corporations in the President's budget.

Amounts in schedule F for PY–1 should be consistent with your agency's audited financial statements.

Prepare balance sheets in the format of exhibit 86A with audited actual amounts as of the close of PY–1 and actual amounts as of the close of PY.

(b) *Balance sheet entries.*

Use the entries listed below to prepare the balance sheets. These entries correspond to entries used in OMB Bulletin No. 01–09, Form and Content of Agency Financial Statements, as amended, which instructs agencies to prepare financial statements at the entity level. Use the terms, definitions, and instructions provided in that bulletin to prepare the balance sheets at the account level. MAX will automatically generate the line entries indicated in **boldface**.

If your agency is a Government-sponsored enterprise (GSE), you will need to modify line entries to reflect the non-Federal status of GSEs. Consult your OMB representative for additional guidance.

BALANCE SHEET

Entry		Description
ASSETS		
Federal assets:		
These assets arise from transactions among Federal agencies. Federal agency assets are claims of a Federal agency against other Federal agencies which, when collected, can be used in the agency's operations.		
1101	Fund balances with Treasury	The unobligated and obligated balances with Treasury from which you are authorized to make expenditures and pay liabilities, including clearing account balances and the dollar equivalent of foreign currency account balances. Your agency's fund balance with Treasury also includes the unobligated balances in guaranteed loan financing accounts, the obligated balances in direct loan financing accounts, and the unobligated and obligated balances in liquidating accounts.
Investments in Federal securities:		Total investments in Federal securities. These consist of securities issued by Federal agencies including non-marketable par value Treasury securities, market-based Treasury securities, marketable Treasury securities, and securities issued by other Federal agencies.
1102	Treasury securities, net	Net value of Treasury securities acquired—the par (face or nominal) value of a security minus the amount of any unamortized discounts or plus the amount of any unamortized premiums.
1104	Agency securities, net	Net value of agency securities acquired—the par (face or nominal) value of a security minus the amount of any unamortized discounts or plus the amount of any unamortized premiums.
1106	Receivables, net	Accounts receivable and interest receivable, net of uncollectible amounts. Interest receivable is the amount of interest income earned but not received for an accounting period. Report receivables from Federal agencies separately from receivables from non-Federal entities (on line 1206). Report interest receivable related to direct loans and acquired defaulted guaranteed loans separately below as a component of credit program receivables.
1107	Advances and prepayments	Advances are cash outlays made by a Federal agency to cover a part or all of the recipients' anticipated expenses or advance payments for the costs of goods and services the agency is to receive. Prepayments are payments made by a Federal agency to cover certain period expenses before those expenses are incurred. Advances and prepayments made to Federal agencies are intragovernmental and are accounted for and reported separately from those made to non-Federal entities.
Non-Federal assets:		
These assets arise from transactions of the Federal Government with non-Federal entities. These entities include domestic and foreign persons and organizations outside the U.S. Government.		

Entry		Description
1201	Investments in non-Federal securities, net	Securities issued by State and local governments, private corporations, and government-sponsored enterprises, net of premiums, discounts and allowances for losses. Securities are normally reported at acquisition cost or amortized acquisition cost. However, you should use market value when there is: • An intent to sell the securities prior to maturity; and • A reduction in the value of the securities that is more than temporary.
1206	Receivables, net	Accounts and interest receivable due from non-Federal entities, net of an allowance for estimated uncollectible amounts. Do not recognize interest as revenue on accounts receivable or investments that are determined to be uncollectible unless the interest is actually collected. Report interest receivable related to direct loans and acquired defaulted guaranteed loans as a component of credit program receivables.
1207	Advances and prepayments	Advances are cash outlays made by a Federal agency to its employees, contractors, grantees or others to cover a part or all of the recipients' anticipated expenses or advance payments for the costs of goods and services the agency receives. Prepayments are payments made by a Federal agency to cover certain periodic expenses before those expenses are incurred.
Credit program receivables and related foreclosed property: These items represent the net value of assets related to pre–1992 and post–1991 direct loans receivable and acquired defaulted guaranteed loans receivable. Net value of assets related to post–1991 direct loans receivable:		
1401	Direct loans receivable, gross	The face value of all direct loans outstanding excluding amounts repaid or written off.
1402	Interest receivable	Amount of interest receivable.
1403	Accounts receivable from foreclosed property	Amount of accounts receivable related to foreclosed property.
1404	Foreclosed property	Value of foreclosed property associated with post–1991 direct and acquired defaulted guaranteed loans at the net present value of the projected cash flows associated with the property. To practicably accomplish this requirement, you may record foreclosed property at the estimated net realizable value at the time of foreclosure. A portion of the related allowance for subsidy account will apply to the foreclosed property, but that amount need not be separately determined. Rather, subtract the allowance account from the sum of the credit program assets to determine the net present value of the assets.
1405	Allowance for subsidy cost (–)	The unamortized amount of subsidy expenses for the direct loan disbursements that the direct loan financing account has made in that year and all previous years, for all direct loans outstanding.

Entry		Description
		(The allowance for subsidy costs of a direct loan is the present value of estimated cash outflows over the life of the loan minus the present value of estimated cash inflows. It is due to defaults, delinquencies, lending at interest rates below the Treasury borrowing rate, etc., with an offset for fees, penalties, and recoveries.)
1499	**Net present value of assets related to direct loans**	The sum of lines 1401 through 1405.
Net value of assets related to post–1991 acquired defaulted guaranteed loans receivable:		
1501	Defaulted guaranteed loans receivable, gross	Amount of defaulted guaranteed loans that resulted in the acquisition of a loan receivable that is still outstanding.
1502	Interest receivable on defaulted guaranteed loans	Amount of interest receivable related to defaulted guaranteed loans.
1504	Foreclosed property related to defaulted guaranteed loans	The estimated net realizable value of related foreclosed property.
1505	Allowance for subsidy cost on defaulted guaranteed loans (–)	The unamortized amount of subsidy for those defaulted guaranteed loans that the guaranteed loan financing account has acquired in that year and all previous years, for all such loans outstanding that are still held by the financing account. (The subsidy of a defaulted guaranteed loan is the present value of estimated cash outflows over the life of the loan minus the present value of estimated cash inflows. It is due to defaults, delinquencies, interest subsidies, etc., with an offset for fees, penalties, and recoveries.)
1599	**Net present value of assets related to defaulted guaranteed loans**	The sum of lines 1501 through 1505.
Net value of assets related to pre–1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Direct loans, gross	For each pre–1992 direct loan program, report loans gross.
1602	Interest receivable	Amount of interest receivable.
1603	Allowance for estimated uncollectible loans and interest (–)	Estimated amount of loans and interest that will not be collected.
1604	**Direct loans and interest receivable, net**	The sum of lines 1601 through 1603.
1605	Accounts receivable from foreclosed property	Amount of accounts receivable related to foreclosed property.
1606	Foreclosed property	The estimated net realizable value of related foreclosed property.
1699	**Value of assets related to direct loans**	The sum of lines 1604 through 1606.
1701	Defaulted guaranteed loans, gross	For each pre–1992 loan guarantee program, report receivables as defaulted guaranteed loans acquired by the Government.

Entry		Description
1702	Interest receivable	Amount of interest receivable related to defaulted guaranteed loans.
1703	Allowance for estimated uncollectible loans and interest (–)	Estimated amount of defaults on loans, interest, and accounts receivable.
1704	Defaulted guaranteed loans and interest receivable, net	The gross amount of defaulted guaranteed loans that resulted in the acquisition of a loan receivable and interest receivable net of an allowance for uncollectible amounts. The sum of lines 1701 through 1703.
1705	Accounts receivable from foreclosed property	Amount of accounts receivable related to foreclosed property.
1706	Foreclosed property	The estimated net realizable value of related foreclosed property.
1799	**Value of assets related to loan guarantees**	The sum of lines 1704 through 1706.
Other Federal assets:		
1801	Cash and other monetary assets	The total of all cash resources and all other monetary assets. Cash consists of: • Coins, paper currency, and readily negotiable instruments, such as money orders, checks, and bank drafts on hand or in transit for deposit; • Amounts on demand deposit with banks or other financial institutions; • Cash held in imprest funds; and • Foreign currencies, which, for accounting purposes, should be translated into U.S. dollars at the exchange rate on the financial statement date. Other monetary assets include gold, special drawing rights, and U.S. Reserves in the International Monetary Fund. This category is principally for use by the Treasury.
1802	Inventories and related properties	Inventory is tangible personal property that is: • Held for sale; • In the process of production for sale; or • To be consumed in the production of goods for sale or in the provision of services for a fee. It includes inventory (i.e., items held for sale), operating materials and supplies, stockpile materials, seized and forfeited property, and goods held under price support and stabilization programs.
1803	Property, plant and equipment, net	The amount of real and personal property (i.e., land, structures and facilities, construction in progress, purchased and self-developed software, equipment and related improvements) that has been capitalized, net of accumulated depreciation if any. Also includes assets acquired by capital leases and leasehold

Entry		Description
		improvements; and property owned by the agency in the hands of the agency or contractors.
1901	Other assets	Other assets not included on the lines above.
1999	**Total assets**	The sum of lines 1101 through 1207, 1499, 1599, 1699, 1799, 1801 through 1901.
LIABILITIES Recognize liabilities when they are incurred regardless of whether they are covered by available budgetary resources. This includes liabilities related to canceled appropriations. Federal liabilities: These liabilities arise from transactions among Federal agencies. Federal liabilities are claims against the agency by other Federal agencies.		
2101	Accounts payable	The amounts owed by a Federal agency for goods and services received from, progress in contract performance made by, and rents due to other Federal agencies.
2102	Interest payable	The amount of interest expense incurred but unpaid on debts to other Federal agencies.
2103	Debt	The cumulative amounts of borrowing (less repayments) from the Treasury, the Federal Financing Bank, or other Federal agencies.
2104	Resources payable to Treasury	Amounts of collections or receivables that must be transferred to Treasury.
2105	Other	Use this item for other liabilities that are not recognized in specific categories or lines above. Include advances and prepayments received from other Federal agencies for goods to be delivered or services to be performed and deposit fund amounts held in escrow.
Non-Federal liabilities: These liabilities arise from transactions of an agency of the Federal Government with non-Federal entities. Non-Federal liabilities are claims against the agency by non-Federal entities.		
2201	Accounts payable	The amounts owed by a Federal agency for goods and services received from, progress in contract performance made by, and rents due to non-Federal entities.
2202	Interest payable	The amount of interest expense incurred but unpaid on debt owed to non-Federal entities.
2203	Debt	Debt issued to non-Federal entities under general or special financing authority (e.g., Treasury bills, notes, bonds and FHA debentures).
2204	Liabilities for loan guarantees	For guaranteed loan financing accounts, report the net present value of the estimated cash flows to be paid as a result of loan guarantees. For liquidating accounts, report the amount of known and estimated losses. (The net present value of estimated cash flows is the present value of estimated cash outflows over the life of the loan guarantee minus the present value of estimated cash inflows. It is due to defaults, interest subsidies, etc., with an offset for fees, penalties, and recoveries.)
2205	Lease liabilities, net	The present value of the liability for capital leases. A capital lease is one that transfers substantially all the benefits and risks inherent in the ownership of property. This transfer occurs if, at

<table>
<tr><th colspan="2">Entry</th><th>Description</th></tr>
<tr><td></td><td></td><td>the inception of the lease, one or more of the following criteria exist:

• Ownership of the property is transferred to the lessee by the end of the lease term;

• The lease contains a bargain purchase option;

• The lease term is substantially (i.e., 75% or more) equal to the estimated useful life of the leased property; or

• At the beginning of the lease term, the present value of the minimum lease payments, with certain adjustments, is 90% or more of the fair value of the property.

The lessee accounts for such a lease as the acquisition of an asset and the incurrence of a liability.</td></tr>
<tr><td>2206</td><td>Pension and other actuarial liabilities</td><td>For agency-administered pension, health insurance and similar plans requiring actuarial determinations. Report the actuarial accrued liability for pension, health insurance, and similar plans requiring actuarial determination using the aggregate entry age normal method.</td></tr>
<tr><td>2207</td><td>Other</td><td>Other liabilities that are not recognized in specific categories. Include in this line the total amount due non-Federal entities for other liabilities that are not included on other lines above.
This includes:

• Entitlement benefits due and payable at the end of the year;

• Advances and prepayments received from other non-Federal agencies or the public for goods to be delivered or services to be performed;

• Deposit fund amounts held in escrow, estimated losses for commitments, and contingencies if:
    ‣ Information available before the statements are issued indicates an asset probably has been impaired or a liability incurred as of the date of the statements; and
    ‣ The amount can be reasonably estimated as a specific amount or range of amounts (e.g., the amount of employee accrued annual leave (i.e., earned but not used) that would be funded and paid from future years’ appropriations).

Examples of commitments and contingencies for which you should report the estimated losses on this line are:

• Insurance—insurance payments due for losses resulting from bank failures, crop failures, floods, expropriations, loss of life, and similar unplanned events.

• Indemnity agreements—reimbursements due to licensees or contractors for losses incurred in support of Government activities.</td></tr>
</table>

Entry		Description
		• Adjudicated claims—claims against the Government that are in the process of judicial proceedings. • Commitments to international institutions—payments due to international financial institutions.
2999	**Total liabilities**	The sum of lines 2101 through 2207.
NET POSITION The components of net position are classified as follows:		
3100	Unexpended appropriations	The portion of the agency's appropriations represented by undelivered orders and unobligated balances.
3300	Cumulative results of operations	The net results of operations since inception plus the cumulative amount of prior period adjustments, including the cumulative amount of donations and transfers of assets in and out without reimbursement.
3999	**Total net position**	The sum of lines 3100 through 3300.
4999	**Total liabilities and net position**	The sum of lines 2999 and 3999.

86.2 What do I need to know about reporting budget year appropriations requests in thousands of dollars (schedule T)?

Use MAX schedule T to report, in thousands of dollars, the net amount of budget year budgetary resources contained in the appropriations language request for your account (see exhibit 86B). If your account has appropriations language requesting new budget authority for the budget year, you are required to complete schedule T for amounts reported under transmittal code 0 (see section 79.2 for information about transmittal codes). For accounts with transfers specified in appropriations language, report amounts on a pre-transfer basis.

Include:

- Discretionary appropriations;
- Discretionary limitations on expenses;
- Appropriated entitlements;
- Best estimates for indefinite appropriations; and
- Proposed cancellations.

Exclude:

- Spending authority from offsetting collections;
- Advance appropriations for any year;
- Amounts applied to repay debt; and
- Amounts applied to liquidate contract authority or deficiencies.

For the majority of budget accounts, only a single line is required. For merged accounts, use separate lines for each component account and identify all lines using the six-digit basic account symbol assigned by Treasury. Ensure that all amounts reported in MAX schedule T are consistent with the amounts in the program and financing schedule (MAX schedule P).

86.3 What do I need to know about the schedule on the status of funds (schedule J)?

This Appendix schedule presents cash flow data for certain special, trust, and other funds. The MAX database generates the data for the status of funds schedule from other data and stores it in the database as schedule J.

The accounts listed in the following table require a schedule J.

FUNDS REQUIRED TO SUBMIT STATUS OF FUNDS DATA

Agency	Account
HHS	Federal Hospital Insurance Trust Fund Federal Supplementary Medical Insurance Trust Fund
DHS	Oil Spill Liability Trust Fund
Interior	Abandoned Mine Reclamation Fund
Labor	Unemployment Trust Fund Black Lung Disability Trust Fund
State	Foreign Service Retirement and Disability Fund
Transportation	Highway Trust Fund Airport and Airways Trust Fund
Veterans Affairs	National Service Life Insurance Fund United States Government Life Insurance Fund
DOD-Civil	Military Retirement Fund Education Benefits Fund Uniformed Services Retiree Health Care Fund
EPA	Hazardous Substance Superfund Leaking Underground Storage Tank Trust Fund
IAP	Overseas Private Investment Corporation (noncredit)
OPM	Civil Service Retirement and Disability Fund Employees Health Benefits Fund
SSA	Federal Old-Age and Survivors Insurance Trust Fund Federal Disability Insurance Trust Fund
RRB	National Railroad Retirement Investment Trust Rail Industry Pension Fund Railroad Social Security Equivalent Benefit Fund

MAX generates schedule J from:

- Data you enter in other MAX schedules for the receipt and expenditure accounts that make up the fund; and
- For selected accounts, commitments against unexpended balances that you enter directly into schedule J.

The budget includes only *one* schedule J for each of the specified funds. The schedule covers all the collections in the receipt accounts and all the cash outlays from the various expenditure accounts that receive appropriations from the funds. It aggregates all the data reported under different transmittal codes to a single schedule presented under transmittal code 0. The CY and BY columns of schedule J include any effects of supplemental requests (transmittal code 1), rescission proposals (transmittal code 5), proposed legislation (transmittal codes 2 and 4), and appropriations language to be transmitted at a later date (transmittal code 3).

When you upload changes to other MAX schedules that affect the fund (for example, you change receipt estimates in schedule R), you will see the effect on MAX schedule J the next time you download the account if the account, transmit, and line number are already included in the crosswalk used by the MAX A-11 system to identify which accounts affect each fund. When you add new lines to schedule P or N that are not yet in the crosswalk, you must wait several hours to see the effect of the change because of the time required to update the crosswalk.

Schedule J includes several sets of adjustment lines. These include adjustments for start of year balances, cash income, and cash outgo. These lines will only be used by OMB if there is a compelling need to make an adjustment. The reason for the adjustment will be included in the stub description for each line.

The following table identifies the source for each line in MAX schedule J.

SCHEDULE ON THE STATUS OF FUNDS

Entry		Description and Source
Unexpended balance, start of year:		Start of year balances of budgetary resources and investments in Federal securities, net of amounts borrowed from the Treasury.
0100	Balance, start of year	MAX derives the PY amount from the PY amount reported on line 8799 in the previous year's *Budget Appendix*. If you believe the PY amount is incorrect, provide your OMB representative with a detailed written explanation of the difference. Any differences will be shown on adjustment lines 0190–0195. MAX copies CY and BY amounts from the end of year amounts reported on line 8799 for the previous year.
0110	Adjustment to unobligated balance carried forward	MAX copies this amount from line 2145 in schedule P.
0111	Adjustment to obligated balance carried forward	MAX copies this amount from line 7245 in schedule P.
0190–0195	Other adjustments	These lines allow OMB to further adjust the initial balance.
0199	Total balance, start of year	MAX calculates this amount as the sum of lines 0100–0195.
Cash income during the year:		Collections deposited in special and trust fund receipt accounts and offsetting collections (cash) credited to expenditure accounts. MAX presents current law amounts (transmittal codes 0 and 3)

Entry	Description and Source
	separately from proposed legislation amounts (transmittal codes 1, 2, 4, and 5).
Current law:	
1200–1219 Receipts	MAX copies the detail lines from receipts with transmittal codes 0 and 3 reported in schedule N on lines 0200–0279. MAX lists each receipt account separately by title.
1220–1239 Offsetting receipts (proprietary)	
1240–1259 Offsetting receipts (intragovernmental)	
1260–1279 Offsetting governmental receipts:	
1280–1289 Offsetting collections	MAX copies these amounts from schedule P, lines 8800–8845 under transmittal codes 0 and 3.
1290–1295 Adjustments	These lines allow OMB to adjust receipts and offsetting receipts under current law and are copied from schedule N lines 0290–0295, transmit 0.
1299 Income under current law	Subtotal for income under present law. MAX calculates this amount as the sum of lines J 1200–1295.
Proposed legislation:	MAX uses line serial numbers in the range 01–05 to identify different transmittal codes, as described in the MAX User's Guide.
2200–2219 Receipts	MAX copies the detail lines from receipts with transmittal codes 1, 2, 4, and 5 reported in schedule N on lines 0200–0279. MAX lists each receipt account separately by title.
2220–2239 Offsetting receipts (proprietary)	
2240–2259 Offsetting receipts (intragovernmental)	
2260–2279 Offsetting governmental	
2280–2289 Offsetting collections	MAX copies these amounts from schedule P, lines 8800–8845 under transmittal codes 1, 2, 4, and 5.
2290–2295 Adjustments	These lines allow OMB to adjust receipts and offsetting receipts under proposed legislation and are copied from schedule N lines 0290–0295, transmits 2 and 4.
2299 Income under proposed legislation	Subtotal for income under proposed legislation. MAX calculates this amount as the sum of lines 2200–2295.
3299 Total cash income	MAX calculates this amount as the sum of lines 1299 and 2299.
Cash outgo during the year (–):	These entries present gross outlays from the fund. MAX presents current law amounts (transmittal codes 0 and 3) separately from proposed legislation amounts (transmittal codes 1, 2, 4, and 5).
4500–4525 Current law (–)	MAX automatically generates the detail lines from amounts in schedule P on line 7320 for transmittal codes 0 and 3.
4540–4545 Adjustments	These lines allow OMB to adjust cash outgo under current law.
4599 Outgo under current law (–)	Subtotal for outgo under current law. MAX calculates this amount as the sum of lines 4500–4545.
5500–5525 Proposed legislation	MAX automatically generates the detail lines from amounts in schedule P on line 7320 for transmittal codes 1, 2, 4, and 5.

Entry		Description and Source
		MAX uses line serial numbers in the range 01–05 to identify different transmittal codes, as described in the MAX User's Guide.
5540–5545	Adjustments	These lines allow OMB to adjust cash outgo under proposed legislation.
5599	Outgo under proposed legislation (–)	Subtotal for outgo under proposed legislation. MAX calculates this amount as the sum of lines 5500–5545.
6599	Total cash outgo (–)	MAX calculates this amount as the sum of lines 4599 and 5599.
Adjustments:		
7625	Permanently canceled balances (–)	Amount that is transferred from the expenditure account to the general fund of the Treasury as a result of a specific provision of law. MAX generates this amount from the "permanent" reductions of new budget authority in schedule P on lines 4035, 4036, 6035, and 6036.
7645	Transfers, net	Net amount of transfers of budget authority and balances (obligated and unobligated). MAX generates this amount from the transfers in schedule P on lines 2221, 2222, 4100, 4200, 6100, 6200, 5861, 5862, 6961, 6962, 7331, 7332.
7650	Other adjustments, net	Other adjustments that affect the fund balances, such as capital transfers to the general fund of the Treasury and repayment of debt. MAX generates this amount from the amounts in schedule P on lines 2240, 2260, 4047, 4050, 6047, 5827, 5847, 6927, and 6947.
7690–7695	Miscellaneous adjustments	These lines allow OMB to make additional miscellaneous adjustments, such as adjustments for expired/canceled unobligated balances.
7699	Total adjustments	MAX calculates this amount as the sum of amounts on lines 7625–7695.
Unexpended balance, end of year:		End of year balances of budgetary resources and investments in Federal securities.
8700	Uninvested balance (net), end of year	MAX calculates this as the difference of lines 8799–8701. This uninvested balance is net of unrealized discounts.
8701	Invested balance, end of year	MAX copies the invested balance from P–9202.
8799	Total balance, end of year	MAX calculates this amount as the sum of the start of year total balance, the cash income, the cash outflow, and the total adjustments.
Obligations and balances:		This section serves as a check against the total balance entered on line 8799 (except for the Airport and airway trust fund and the Highway trust fund). 8799 is calculated by beginning with the start of year balance, adding income, subtracting outflow, and adding adjustments. The total in this section equals the sum of obligated balances, unobligated balances, and special or trust fund receipt balances that are available for new budget authority (e.g., new appropriations or contract authority).
8801	Obligated balances (Memorandum entry)	MAX calculates this amount as the sum of lines P 7440 from all the accounts that receive budget authority from the special or trust fund.

Entry		Description and Source
8802	Unobligated balances (Memorandum entry)	MAX calculates this amount as the sum of lines P 2440 from all the accounts that receive budget authority from the special or trust fund.
8803	Special or trust fund receipt balances (Memorandum entry)	MAX copies this amount from line 0799 in schedule N.
8804	Unavailable balance, end of year: offsetting collections	MAX copies this amount from line 9402 in schedule P.
8890	Expired, unobligated balance, end of year	MAX copies this amount from line 2452 in schedule P.
8891–8895	Other adjustments	These lines allow OMB to make additional miscellaneous adjustments.
8899	Total balance, end of year	MAX calculates this amount as the sum of lines 8801–8895.
	(Memorandum entry)	Except for the Airport and airway trust fund and the Highway trust fund, the amount on this line should equal the amount on line 8799. If it does not, you will receive an error message.
Commitments against unexpended balance, end of year:		Use these lines only at the direction of OMB.
		The memorandum entry "Commitments against unexpended balances, end of year" is provided to show how much of the cash is still available for new budget authority, e.g., new appropriations or new contract authority.
		In order to calculate the cash available for new budget authority, also called the "uncommitted balance, end of year", subtract the unexpended balances that were provided as budget authority (i.e., the unobligated and obligated balances on J 9801 and J 9802) from the total cash balance at the end of the year (line J 8799).
9801	Obligated balance (–)	Amounts on this line require user input.
		The obligated balance of the budget authority on line P 7440 of the account that received budget authority from the special or trust fund.
		If more than one account receives budget authority from the special or trust fund, then J 9801 is equal to the sum of all the obligated balances, that is, the portion of line P 7440 in each account that was originally derived from the special or trust fund.
9802	Unobligated balance (–)	Amounts on this line require user input.
		The unobligated balance of the budget authority on line P 2440 of the account that received budget authority from the special or trust fund.
		If more than one account receives budget authority from the special or trust fund, then J 9802 is equal to the sum of all the unobligated balances, that is, the portion of line P 2440 in each account that was originally derived from the special or trust fund.
9899	Total commitments (–)	MAX calculates this line as the sum of lines 9801 and 9802.
		Another term for total commitments is unexpended balances.

86.4 What do I need to know about the special and trust fund receipts schedule (schedule N)?

Schedule N provides information on receipts, balances, and appropriations for special and non-revolving trust funds. The MAX database generates schedule N data from other data and stores it in the database as schedule N.

The following types of accounts require schedule N:

- Special funds; and
- Non-revolving trust funds.

MAX generates schedule N from:

- Data reported in the previous year's *Budget Appendix*;
- Data in schedule R; and
- Data in schedule P.

The budget includes only *one* schedule N for each fund. The schedule covers all the receipts and offsetting receipts that pertain to a particular special or trust fund account. It aggregates all the data reported under different transmittal codes to a single schedule presented under transmittal code 0. The CY and BY columns of schedule N will include the effect of supplemental requests (transmittal code 1), rescission proposals (transmittal code 5), proposed legislation (transmittal codes 2 and 4), and appropriations language to be transmitted at a later date (transmittal code 3).

When requesting new special or trust fund accounts (see section 79.3), please specify whether the MAX database should include a *new* schedule N or use an *existing* schedule N to report the transactions related to the new account.

When you upload changes to other MAX schedules that affect the fund (for example, you change receipt estimates in schedule R), you will see the effect on MAX schedule N the next time you download the account. When accounts from other agencies feed one of your schedule N lines, you will see the effect of changes in those accounts the next time you download schedule N as long as the information has been uploaded. You can use the view feature in MAX to see which lines from which accounts feed each of the detailed lines in schedule N.

Schedule N includes several sets of adjustment lines. These include adjustments for start of year balances, cash income, and cash outgo. These lines will only be used by OMB if there is a compelling need to make an adjustment. The reason for the adjustment will be included in the stub description for each line.

The following table identifies the source for each line in MAX schedule N. Even though the data are automatically generated and you cannot change any amounts, you can change the line titles of the detail lines (lines 02xx, 05xx).

SPECIAL AND TRUST FUND RECEIPTS SCHEDULE

Entry		Description
0100	Balance, start of year	MAX derives the PY amount from the PY amount reported on line 0799 in the previous year's *Budget Appendix.* If you believe the PY amount is incorrect, provide your OMB representative with a detailed

Entry	Description
	written explanation of the difference. Any differences will be shown on an adjustment line (0190–0195). MAX copies CY and BY amounts from the end of year amounts reported on line 0799 for the previous year.
0190–0195 Adjustments	These lines allow OMB to adjust the initial balance.
0199 Balance, start of year, total	MAX calculates this line as the sum of lines 0100 and 0195.
Receipts and offsetting receipts:	MAX uses line serial numbers in the range 10–15 to identify different transmittal codes, as described in the MAX User's Guide.
0200–0219 Receipts 0220–0239 Offsetting receipts (proprietary)	Amount of new collections deposited in special and trust fund receipt accounts. Each receipt account will be listed separately by title and transmittal code. MAX copies these amounts from schedule R.
0240–0259 Offsetting receipts (intragovernmental)	These lines are copied into schedule J.
0260–0279 Offsetting governmental receipts	
0290–0295 Adjustments	These lines allow OMB to adjust receipts and offsetting receipts.
0299 Total receipts	MAX calculates this amount as the sum of lines 0200 through 0295.
0400 Total: Balances and receipts	MAX calculates this amount as the sum of lines 0199 and 0299.
0500–0589 Appropriations, net (–)	MAX calculates this amount from schedule P. It consists of: • the appropriations (reported on lines 4020, 4026, 4028, 5520, 5526, 6020, 6026, and 6526); and • the amounts that become available for obligation from balances of receipts that were previously unavailable (reported on line 6028). • Minus: • the amounts precluded from obligation in a fiscal year because of provisions of law such as benefit formulas or limitations on obligations (reported on line 6045); and • the temporary reductions reported on lines 4037, 4038, 5537, 6037, 6038 and 6537. If more than one appropriation is made from the fund, each will be listed separately by title and transmittal code. MAX uses line serial numbers in the range 10–15 to identify different transmittal codes, as described in the MAX User's Guide.
0590–0595 Adjustments	These lines allow OMB to adjust appropriations.
0599 Total appropriations (–)	MAX calculates this amount as the sum of lines 0500–0595.
0610 Special and trust fund receipts returned	Include amount of special and trust fund unobligated balances that are cancelled or rescinded (see section 20.4(i)) and become available for subsequent appropriation action. Also, include cash refunds of previously appropriated receipts that are available for a subsequent

Entry		Description
		appropriation and are returned to unappropriated receipts. Exclude amounts permanently cancelled and rescinded or withdrawn in special or trust funds that are returned to the general fund of the Treasury. MAX calculates this amount from amounts in schedule P on line 2441.
0611	Adjustment for change in allocation	MAX copies PY amount from schedule P line 2333.
0612	Adjustment for change in investments in zero coupon bonds	MAX copies PY amount from schedule P line 2341, with the opposite sign.
0700	Balance, end of year	MAX calculates this amount as the sum of lines 0199, 0299, 0599 and 0612.
0795	Rounding adjustment	This line allows OMB to adjust for rounding. The amount will not exceed +\- $2 million.
0799	Balance, end of year	MAX calculates this amount as the sum of lines 0700 and 0795. This line is copied as a memorandum entry into schedule J.

86.5 What do I need to know about the summary of budget authority and outlays?

If you have a regular account that has separate program and financing schedules for supplemental requests, legislative proposals, or rescission proposals, a summary will be printed in the Budget Appendix to report the totals for budget authority and outlays for PY through BY. MAX automatically generates the summary from data in schedule A. However, it is not a separate MAX schedule and cannot be viewed in the database. The summary normally will contain the following entries, as applicable, in the sequence shown:

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

Entry	Description
Enacted/requested: Budget authority Outlays	Total amount of budget authority and outlays for all years shown in the regular program and financing schedule under transmittal code 0. Entries reflect, without separate identification, reductions pursuant to the BEA.
Proposed for later transmittal: Budget authority Outlays	Total amount of budget authority and outlays for all years shown in a separate program and financing schedule under transmittal codes 2, 3, or 4.
Supplemental: Budget authority Outlays	Total budget authority and outlays for all years shown in a separate program and financing schedule under transmittal code 1.
Rescission proposal: Budget authority Outlays	Total amount of reduction of budget authority and outlays for all years shown in a separate program and financing schedule under transmittal code 5.

Entry	Description
Total:	Sum of all preceding entries.
Budget authority	
Outlays	

Financial Statements
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 16-4023-0-3-754	PY-1 act	PY act.
ASSETS		
Federal assets:		
Investments in Federal securities:		
1102 Treasury securities, net	4	4
1104 Agency securities, net	1	2
1106 Receivables, net	1	1
Non-Federal assets:		
1201 Investments in non-Federal securities, net	1	2
1999 Total assets	7	9
	====	====
LIABILITIES		
Federal liabilities:		
2101 Accounts Payable	1	1
2103 Debt	1	1
Non-Federal liabilities:		
2203 Debt	3	3
2999 Total liabilities	5	5
	====	====
NET POSITION		
3100 Unexpended appropriations	3	3
3999 Total net position	3	3
4999 Total liabilities and net position	8	8

Note: Additional information is required for direct and guaranteed loan financing accounts under the Federal Credit Reform Act (see section 86.1).

Budget Year Appropriations Requests in Thousands of Dollars (Schedule T)

OFFICE OF THE SECRETARY
Salaries and Expenses

For necessary expenses, including services authorized by 5 U.S.C. [$89,786,000] $100,788,000.

Use schedule T to report *in thousands of dollars* the net budgetary resources contained in the appropriations language request.

Account: 007-55-76-0030

Appropriations Requests in Thousanes of Dollars (T):	PY	CY	BY
1001 01 Budget year budgetary resources [Treasury Acct]……….			100,788

Amounts in schedule T must be consistent with amounts in schedule P.

Report amounts on a pre-transfer basis.

Exclude amounts applied to repay debt, liquidate contract authority, or liquidate deficiencies.

Do not report advance appropriations or spending authority from offsetting collections.

Account: 007-55-76-0030

Program and Financing (P)	PY actual	CY	BY
New budget authority (gross), detail:			
Discretionary:			
4000 01 Appropriation…………………………………………….	96	90	101
4200 01 Transferred from other accounts [75-1503]………………	1	…..	5
4300 01 Appropriation (total)……………………………………….	97	90	106

For consolidated or merged accounts, use separate line entries to report the budget year appropriation request. Include in each line the six-digit basic account symbol assigned by Treasury. You do not need to enter the Treasury code when only a single account is involved.

Account: 007-54-72-9915

Appropriations Requests in Thousands of Dollars (T)	PY	CY	BY
1000 01 Budget year budgetary resources [76-0819]………………			97,843
1000 02 Budget year budgetary resources [76-0820]………………			54,287
1000 03 Budget year budgetary resources [76-0824]………………			21,000
1000 04 Budget year budgetary resources [76-0825]………………			6,500

SECTION 95—BUDGET APPENDIX AND PRINT MATERIALS

Table of Contents

95.1 What is the budget *Appendix*?

The *Appendix—Budget of the United States* is one of several volumes that constitute the President's Budget. Like the other volumes, the President transmits the *Appendix* to the Congress, and it is published through the Government Printing Office (GPO) and digitally on www.budget.gov. The Appropriations Committees, in particular, use the *Appendix* because it contains the appropriation language proposed by the President for each account that requires such language. The *Appendix* contains other detailed information about each account, such as program and financing information, expenditures by object class, narrative statements and data about the work performed, and employment data. The information printed in the *Appendix* is often referred to as *print materials*.

95.2 How is the *Appendix* organized?

The *Appendix* consists of these parts:

- Detailed Budget Estimates by Agency—This part, the main part of the *Appendix,* contains general provisions of law that apply to all Government activities, and print materials for accounts organized by agency. Section 95.3 describes the organization of this part in more detail.
- Other Materials—This part may contain:
  - A summary of proposed changes to current year estimates through supplemental appropriations and rescissions;
  - Detailed print materials for proposed supplemental appropriations and rescissions;

  - A list of amendments and revisions to budget authority requested between transmittal of the previous and current budgets; and

  - A list of advance appropriations.

- Financing Vehicles and the Board of Governors of the Federal Reserve—Contains descriptions of and data on certain entities that are excluded from the main part of the *Appendix.*

- Government-Sponsored Enterprises—Contains descriptions of and data on Government-sponsored enterprises (private corporations chartered by Federal law), such as Fannie Mae.

95.3 How is the "Detailed Budget Estimates" section organized?

This part of the *Appendix* presents materials in the following general order (see the Table of Contents of the most recent *Appendix* for the exact order):

- Legislative Branch;

- Judicial Branch;

- Cabinet agencies in alphabetical order;

- Large or prominent non-departmental agencies (for example, the Environmental Protection Agency and the Executive Office of the President) and accounts grouped under the heading, "Other Defense–Civil Programs;" and

- The remaining agencies, under the heading "Other Independent Agencies," in alphabetical order.

We use the term *chapter* to refer to the presentation of materials for a separate agency or group of agencies. Within the chapter for a department or large agency, the materials are organized by bureaus or other major subordinate organizations within the agency (for example, the Farm Service Agency in USDA) or by major program areas (for example, Community Planning and Development in HUD). When we establish a new account in the MAX database, we assign a bureau and account sequence code, which determines the order in which bureaus and accounts appear in the *Appendix* (see section 79). For the sake of convenience in these instructions, we refer to all equivalent subdivisions of a chapter as bureaus.

The *Appendix* presents accounts in a uniform, logical order in all bureaus, unless there is a compelling reason for an exception. Accounts normally appear as follows:

- General fund accounts, in the following order:

  - Accounts for which appropriations are requested for the BY.
  - Accounts for which appropriations were made in the CY but not requested for the BY.
  - Other unexpired accounts.
  - Expired accounts.

- Special fund accounts, in the following order:

  - Accounts for which appropriations are requested for the BY.

  - Accounts for which appropriations were made in the CY but not requested for the BY.
  - Other unexpired accounts.
  - Expired accounts.

- Public enterprise funds.

- Intragovernmental revolving funds and management funds.

- Credit reform accounts, with related accounts grouped together in the following order:

  - Program account.
  - Financing account.
  - Liquidating account.

- Trust funds.

- Trust revolving funds.

- General fund receipt accounts.

A heading and a note for allocations from other accounts is shown at the end of the bureau (see section 82.14).

Certain materials are required for each account. The following table shows the print requirements and print sequence for all materials that could be required for an account. Because not all materials apply to a given account, the second column describes the circumstances in which they apply. The fourth column tells you which materials are generated from MAX and which ones you must revise using the MAX A-11 software, as outlined in the User's Guide.

BUDGET APPENDIX PRINT MATERIALS

Type of material	Applicability	See A–11 section...	How generated?
Appropriations language	Required for each account with appropriations enacted for the CY or proposed for the BY. Language is usually not submitted for legislative or rescission proposals—transmittal codes 2, 4, or 5.	95.5	MAX edited directly
Special and trust fund receipts schedule	Required for all special and non-revolving trust fund accounts.	86.4	Generated from schedule N
Program and financing schedule	Required for all accounts.	82	Generated from schedule P
Distribution of budget authority and outlays by account	Required for merged and consolidated accounts.	82.13	MAX edited directly

Type of material	Applicability	See A–11 section...	How generated?
Summary of budget authority and outlays	Required for each regular account that also has a supplemental request, legislative proposal, or rescission proposal.	86.5	Generated from schedule A for accounts reporting data under multiple transmittal codes
Status of direct loans	Required for all credit liquidating and financing accounts with direct loan activity, including Government-sponsored enterprises.	185.11	Generated from schedule G
Status of guaranteed loans	Required for all credit liquidating and financing accounts with guaranteed loan activity, including Government-sponsored enterprises.	185.11	Generated from schedule H
Summary of loan levels, subsidy budget authority, and outlays by program	Required for all credit program accounts with direct loan or loan guarantee subsidies.	185.10	Generated from schedule U
Narrative statement	Required for all accounts.	95.9	MAX edited directly
Schedule on the status of funds	Required for major trust funds and certain other accounts specified in section 86.5.	86.3	Generated from schedule J
Balance sheet	Required for Government-sponsored enterprises and credit liquidating accounts. For noncredit revolving funds, optional at the discretion of OMB.	86.1	Generated from schedule F
Object classification	Required for all accounts and annual limitations.	83	Generated from schedule O
Employment summary	Required for each account that reports personnel compensation in object class 11.1 or 11.3. Also required when FTE are funded by allocations from other accounts.	85.5	Generated from schedule Q

95.4 What is the process for getting print materials published in the *Appendix*?

The process for getting print materials published includes these steps:

1. All appropriations language and narrative now must be updated through the MAX A-11 software, per the User's Guide, available at: https://max.omb.gov/maxportal/pdf/AutomatedAppendixTextUsersGuide.pdf. Appropriations language appears in the "PA20xx" exercises; narrative language appears in exercises under "PN20xx" and schedules under "PB20xx."

2. When the MAX database opens in mid-November, you will be able to edit your narrative with the MAX A-11 software.

    a. In order to view and edit your data, you will need a MAX ID and the MAX software. For information about how to obtain them, visit the MAX homepage: https://max.omb.gov/maxportal/

3. When Congress passes appropriations bills, OMB will load the appropriations language into the MAX database. You will then be notified that your appropriations language is ready to be edited.

4. When you have finished editing the appropriations language or narrative for an account, you will mark it as complete. This notifies OMB that you are finished and gives editing permission to OMB. If you miss your deadline, OMB may move accounts from the Agency editing stage to the OMB editing stage.

5. For appropriations language, you will usually have the opportunity later in the process to change dollar amounts only.

6. At any time during the process, you can print out the latest text by account or (depending on your user permissions) for your whole *Appendix* chapter in draft form. OMB will also, from time to time during the process, provide a PDF of your chapter for your review. For detailed information on how to use the MAX A-11 software to edit and print your text, see the user guide: https://max.omb.gov/maxportal/webPage/a11/maxA11UsersGuide

7. OMB will review the text and make final changes as necessary.

95.5 What do I need to know about revising appropriations language?

Appropriations language constitutes the President's request to the Congress for budget authority or other legislative authority (such as general provisions) to be provided through the annual appropriations process. The *Appendix* includes appropriations language for each account for which appropriations or limitation language was enacted in the CY or is proposed for the BY.

In most cases, you will submit proposed BY appropriations language by marking up language enacted as part of a regular CY appropriations act provided by OMB in the MAX A-11 software. However, if regular appropriations have not been enacted, OMB will provide you with special instructions.

If you propose new provisions or changes to enacted language (other than changes in amounts) for individual accounts or administrative and general provisions, include an explanation and justification. If you propose language that relates to employment of personnel without regard to civil service or classification laws, send to your OMB contact a copy of the letter from the Office of Personnel Management approving the new provision(s). Submit this information separately from the language submissions; do not write any explanations in MAX. Whenever possible, try to include proposed substantive changes in appropriations language with the budget submission to provide adequate time for review by OMB.

95.6 What supporting statutory references must I provide?

Provide the supporting statutory references described below, inserting them following the appropriations language (in parentheses), in the following sequence: basic authorizing legislation (including currently effective amendments), treaties, or executive orders that continue in effect during the budget year. These references are informational only. Follow these guidelines in referring to basic authorizing legislation:

- Cite the legislation in one of the following forms, in this order of preference:
  - United States Code;
  - Public law number;
  - Popular title of the law (if there is one); or
  - Date of the Act, followed by the applicable volume and page of the Statutes at Large.

- Do not include references to Government-wide, generally applicable laws (such as Title 5 of the U.S. Code).

- Cite executive orders by number.

- Consolidate citations to the same title of the U.S. Code, and list titles (and sections thereunder) in ascending numerical order.

- Avoid multiple citations to the same statute.

- If a citation is included in statutory text, do not repeat it in parentheses.

95.7 What are the special appropriations language requirements for credit programs?

The Federal Credit Reform Act imposes special appropriations language requirements for credit programs. (See section 185 for general guidance on credit programs.) Each program account for a direct loan or loan guarantee program must contain:

- A request for an appropriation for the subsidy costs on a net present value basis;
- A specification of the loan level supportable by the subsidy cost appropriation; and
- A request for an appropriation for the administrative expenses for operating the credit program.

Use the following standard subsidy appropriation language, using the bracketed elements as appropriate. If you need to transfer the amount for administrative expenses to a salaries and expenses account, modify the language as described below. Where loans are disbursed beyond the five year period after obligation, you need to add the proviso discussed in section 95.8.

> [For the cost of direct loans, $___,] [and] [for the cost of guaranteed loans, $___,] as authorized by [authorizing statute]: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize [gross obligations for the principal amount of direct loans not to exceed $___] [,and] [total loan principal, any part of which is to be guaranteed, not to exceed $___.] In addition, for administrative expenses to carry out the [direct] [and] [guaranteed] loan program[s], $___.

Where you propose to transfer administrative expenses to a salaries and expenses account, substitute the following for the last sentence above:

> In addition, for administrative expenses to carry out the [direct] [and] loan [guarantee] program[s], $___, which shall be [paid to appropriation for [name of account]] [or, to the extent necessary,] [used to reimburse the Federal Financing Bank as authorized in section 505(c) of the Congressional Budget Act of 1974].

If you believe that the nature of a program requires a modification of the specified language, you may request an exception (see section 25.2).

95.8 What are the special language requirements for programs that disburse over a period longer than five fiscal years?

Unless otherwise specified by law, budget authority is available for liquidating obligations (that is, outlays) for only five fiscal years after the authority expires. This could be problematic for programs funded by annual or multi-year budget authority where disbursements are expected to occur more than five fiscal years after the authority expires. Where loans or other costs (such as termination costs for some contracts and annual lease payments under operating leases, capital leases, or lease-purchase agreements) will be disbursed beyond the five-year period, use the following standard proviso, modified as appropriate, to ensure that the budget authority will remain available for disbursement over the full term of the contract:

> *Provided,* That such sums are to remain available through 20XX for the liquidation of valid obligations incurred fiscal year 20XX.

95.9 How do I prepare narrative statements?

Exhibit 95 provides general style guidance for use in preparing narrative statements. The exhibit also describes other conventions, such as those used for capitalizing account titles and program activities.

(a) *Active accounts.*

You must prepare a narrative statement (revising last year's statement, if there was one) for every active account, including supplemental requests, rescission proposals, and legislative proposals. An account is active if the program and financing schedule shows obligations in the CY or BY, or you estimate that the account will incur obligations in the outyears. Follow these guidelines when writing the narrative for an active account:

- Write the narrative statements in a concise and factual manner, avoiding hyperbole.
- Orient them toward the policies and objectives for the budget year.
- Include quantitative tables that match program performance and dollar data.
- Discuss performance goals and indicators and how the budget request supports them.
- Discuss efforts to improve program performance and efficiency
- Discuss pertinent legislation enacted since the previous budget and legislative initiatives proposed in the budget.
- Do not discuss the history, authorizing statutes, and other legal references except in special cases, as explained below.

The separate activities (and any subactivities) listed in the obligations by program activity section of the program and financing schedule should present a meaningful breakdown of the total program (see section 82.2). Therefore, it usually makes sense to address them separately in the narrative statements. You should identify the activities in side headings by the title used in the program and financing schedule and present them in the same order.

(b) *Inactive accounts.*

An account is inactive if it shows no obligations in the CY or BY and you estimate that no obligations will be incurred in the outyears. The narrative for inactive accounts should explain why the account is inactive. For example, it may be that the account funded a temporary study commission that is no longer authorized, received no appropriation after the PY, and simply spends out obligated balances. If an inactive account shows any budgetary resources (budget authority or unobligated balances) in the CY, BY, or outyears, the narrative should explain the expected disposition of the budgetary resources.

95.10 How should performance information be incorporated into the narrative statements?

The statements should support the performance budget by explaining what outcomes the agency expects to achieve with the requested funding and how the agency is working to improve performance and efficiency. Statements should also highlight how PART assessments were used to inform funding allocations and what follow-up the agency is taking to improve program performance. Additionally, statements should describe how implementation of the President's Management Agenda is helping the agency improve its operations and make better use of taxpayer dollars.

95.11 Are there any special requirements for narrative statements?

In addition to the information required for active accounts, the narrative should include certain specific information, described in the following paragraphs, if the account involves any of the following:

(a) *Narrative statements for revolving funds.*

For revolving funds, the narrative statement should include the information required for active accounts in general (see section 95.9) using the side heading *Budget program.* In addition, the narrative statement should address the following topics, with the side headings shown:

- *Financing*. Provide significant information on the fund's means of financing, such as sources of income and authority to borrow (including limits on such authority, amounts actually borrowed and repaid during the year). For funds with a statutory limit on the amount of borrowing or on the amount of debt that can be outstanding at any one time, indicate the amount of the limit and discuss the position of the fund with respect to the limit during the budget year. Include in the statement a discussion of how close to the limit the fund will approach during the year.

- *Operating results*. Provide significant information relating to levels of revenue, expense, and net income or loss. Explain the steps being taken to dispose of any deficits and the planned disposition of net earnings. Include an analysis of retained income on a cumulative basis, disclosing any budget authority amounts used to offset deficits for non-revenue producing outlays since the inception of the fund.

For each fund covered by section 102 of the Government Corporation Control Act, include a specific recommendation on the application of the retained earnings or restoration of capital impairment at the end of the past year. The recommendation should indicate:

- The amount of retained income to be returned to the Treasury and the use to be made of the remainder, if any; and

- Whether restoration of any capital impairment is required and whether this should be done by appropriations or other means.

(b) *Narrative statements for Federal credit programs.*

Narrative statements for Federal credit programs should address these items:

- Significant factors in developing subsidy estimates, such as default rates and interest rates charged to borrowers.

- Where relevant, information about how risk categories are defined (see section 185.3).

- For loan guarantee programs, the percentage of the loan covered by the guarantee.

Use the following paragraphs, modified as necessary, to describe each account for a credit program.

For liquidating accounts:

> As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from [direct loans obligated] [and] [loan guarantees committed] prior to 1992. All new activity in this program (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year) is recorded in corresponding program accounts and financing accounts.

For program accounts:

> As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the [direct loans obligated] [and] [loan guarantees committed] in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

For direct loan financing accounts:

> As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

For guaranteed loan financing accounts:

> As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments in any year). The amounts in this account are a means of financing and are not included in the budget totals.

(c) *Narrative statements in special cases.*

The narrative statement should explain any special circumstances affecting the means of financing the program. Cover the following cases in particular:

- *Mandatory spending*. Indicate the legal basis for the budget authority (since no appropriations language is presented for such items).

- *Offsetting collections and receipts.* When offsetting collections or receipts earmarked in a special or trust fund finance a significant portion of the obligations of the account, discuss the source of the collections or receipts and the purposes of and restrictions on their use. For example, discuss user charges to the public, reimbursable work performed for other organizations, and asset sales. The narrative should also discuss receipts generated by the program but deposited into the general fund of the Treasury, when pertinent to the operations of the program.

- *Agency debt issued and investments in agency debt*. Unless the information is provided in a balance sheet for the account, the narrative statement should include the following information, as applicable, for PY–1 through BY. For accounts that issue debt instruments to other Federal accounts (excluding debt issued to Treasury or to the Federal Financing Bank) or to non-Federal entities, indicate the par value of outstanding debt securities issued by the account to other Federal accounts (in total) and non-Federal entities (in total). For accounts that own securities issued by other Federal accounts (excluding securities issued by the Treasury or the Federal Financing Bank) or by non-Federal entities, indicate the par value of the securities owned that were issued by Federal accounts (in total) and non-Federal entities (in total).

- *Limitations on borrowing or debt.* For accounts with a statutory limit on the amount of borrowing or on the amount of debt that can be outstanding at any one time, indicate the amount of the limit and discuss the position of the fund with respect to the limit during the budget year. Include in the statement a discussion of how close to the limit the fund will approach during the year.

95.12 What do I need to know about footnotes and tables?

Other sections of this Circular require footnotes and tables in certain circumstances (see below). In some cases, these footnotes and tables appear to be part of a MAX schedule or resemble a MAX schedule. Due to the limited column width of the page layout, narrative tables should be concise and only contain essential data.

- *To insert a footnote to a schedule,* download the account from the PB exercise, highlight the cell where the footnote reference should be, then choose Edit/Footnote.

- *Transfer in the estimates.* To add a footnote for an account with a transfer in the estimates, as defined in section 20.4(k), prepare a footnote in the format described in section 82.12 and insert it in MAX using the Edit>Footnote option (go to the Edit menu and select the Footnote option).

- *Transfer of resources.* To add a footnote for an account with a transfer of resources as defined in section 20.4(j), prepare a footnote in the format described in section 82.11 and insert it in MAX using the Edit>Footnote option.

- *Allocation accounts*. For each bureau (or agency if the agency has no bureaus) that receives an allocation as defined in 20.4(l), prepare a footnote in the format described in section 82.14 by downloading the appropriate account in MAX.

- *Consolidated schedules and merged accounts*. For a program and financing schedule that contains data for accounts that have been consolidated or merged (see sections 79.3(h)), prepare a narrative table distributing budget authority and outlays by account in the format described in section 82.13 and insert it following the program and financing schedule.

GENERAL STYLE GUIDELINES

Word/Phrase	Usage
1970s, 1980s, 1950s, etc.	no apostrophe before the letter "s"
2007–2008 school year	not 2007-08
2009 Budget	Budget has initial cap; do not use FY
2009 President's Budget or the President's Budget	President and Budget have initial caps
20th Century; 21st Century	Century has an initial cap.
Administration	initial cap when referring to the current Administration
America	initial cap
an FY	not a FY
Armed Forces	initial caps
biodefense	no hyphen
biosurveillance	no hyphen
bioterrorist	no hyphen
Budget	initial cap when referring to the FY 20XX Budget of the United States
budget	lowercase usage: for estimates, such as "budget totals"; or for departments, such as "the Department of Education's budget."
carry over	separate words, as in "to carry over"
carryover	as in "carryover" balances
clean up	when used as a verb
clean-up	when used as a noun
the Congress	use "the" in front of Congress
Congress's	possessive
congressional	lower case
counterterrorism	no hyphen
crosscut or crosscutting	no hyphen
D.C.	include periods when abbreviating District of Columbia
Department	initial cap if part of a name (Department of Defense), or if standing alone and referring to a Federal unit
DOD	Department of Defense abbreviation (all upper case); same for other departments/agencies.
e.g.,	means "for example"; comma follows abbreviation
E-Gov	initial cap E and G with hyphen

Word/Phrase	Usage
E-Government	initial cap E and G with hyphen
Federal	initial cap
Federal Government	initial cap F and G
federally funded	all lower case; no hyphen
Government	initial cap when referring to the U.S.
Government-sponsored	initial cap G when referring to the U.S. and is hyphenated
Government-wide	initial cap G when referring to the U.S. and is hyphenated
i.e.,	means "that is"; comma follows abbreviation
Internet	initial cap
multiyear	one word
Nation	upper case when referring to the U.S.
nationwide	lower case
non-Defense	hyphenated, generally
online	one word
pro rata	two words
R&D	use an ampersand (&) instead of "and"
reestimate	no hyphen
repropose	no hyphen
rescission	note spelling
servicemember	one word
spring/summer	no initial caps for seasons
south; north; east; west; Northeast; Southwest, etc.	initial cap in reference to a proper name or region, e.g., the Southeast; lower case when identifying compass directions, e.g., southeastern United States.
State	initial cap when referring to one or more of the 50 United States
Tribes	initial cap T but lower case for "tribal"
U.S.	can abbreviate when used as an adjective, i.e., U.S. exports
United States	initial caps and spelled out when used as a proper noun, i.e., the United States will remain strong…
web-based	hyphenate
website	one word
workforce	one word
workplace	one word

Word/Phrase	Usage
worldwide	one word
year-over-year percent change	hyphen usage

Other Conventions	Description
account titles	initial caps, e.g., Salaries and Expenses. Do not apply initial caps to conjunctions, prepositions, or articles included in the account title (e.g., and, to, from, the).
initiative or program activity names	initial caps, e.g., American Competitiveness Initiative, or Cooperative Extension Systems (in narrative text/non-MAX schedules). Do not use quote marks.
narrative headers	initial caps, e.g., Interstate Maintenance
in <u>text</u> passages, spell out State names. in <u>tables</u>, use 2-letter Postal Service abbreviation for State names (due to space considerations)	e.g., Louisiana, Michigan, Alabama, etc. e.g., LA, MI, AL (no periods)
Budget volume names	italicize, such as *Budget* volume, *Appendix* or *Analytical Perspectives.*
Report names	italicize
www.net.gov.	italicize web addresses
Olmstead v. L.C.	italicize when citing law cases
in series: ;	use semi-colon
two spaces after a colon	
colons and semi-colons are on outside of quotes	"sample": or "sample";
comma placement examples: "Imposes limits, or 'caps,' through 2008 on annual funding."	Commas and periods should be placed inside quotation marks. Put a dash, question mark, or exclamation point within closing quotation marks when the punctuation applies to the quotation itself and outside when it applies to the whole sentence. Colons and semi-colons are outside closing quotation marks.
further comma placement example	in a sequence of words separated by commas, with "and" linked to the last instance, use a comma before "and." (Example: "eat, drink, and be merry"; not "eat, drink and be merry.")
December 12, 2007,	generally gets a comma after the year when used in a clause
65-percent response rate	adjective (use of hyphen)
numbers listed as 1); 2); 3); etc.	use closed parenthesis only, i.e., not (1); (2); (3), etc.
its or it's	"its" (with no apostrophe) is possessive, meaning "belonging to it." "It's" is a contraction that means *only* "it is."

Other Conventions	Description
possessives	Most singular-case usages receive "'s" to create the possessive, including singular words ending in "s." Examples: Charles's; James's (see "Congress's," above). Plural words receive just an apostrophe where appropriate, e.g., States', when referring to more than one State. The possessive of "who" is "whose," not "who's." "Its" is also an exception, as noted above.
in text: zero to nine spell out, 10 and up use numbers	nine, 10
example of an exception in text referencing a range, e.g., 8 to 23	Although the numbers zero through nine should be written out when standing alone, do not spell out numbers 0 through 9 when providing them in a range such as 2 to 11, or 9 to 24 (e.g., not two to 11 or nine to 24).
0.8 percent	generally no more than one decimal place
in tables use numbers	e.g., an increase of 3 percent
* (asterisk) in tables	in Excel-based tables use asterisk to indicate: an amount less than $500 million (thousand) or less than 0.5 percent. The corresponding footnote should read: "Less than $500 million (or thousand)" or "Less than 0.5 percent," as appropriate.
use of "FY" is unnecessary in the various Budget volumes.	all years are fiscal unless stated otherwise (typically noted at front of the volume)
~~the~~ DOD, ~~the~~ HHS	no "the" before department/agency acronym
14^{th}	use superscript for "th"
~~9/11~~ do not use this reference	use either September 11^{th} (include superscript when used w/o citing 2001) or September 11, 2001
avoid use of "finally" instead use "also" or "further"	general rule
use "provides" or "proposes"	not "the budget seeks"
"slightly more than" rather than "over"	preferable
toward not towards	do not use the "s"
the Budget not "this" Budget	general rule
In total rather than "all told"	general rule

CIRCULAR NO. A–11

PART 3

SELECTED ACTIONS FOLLOWING TRANSMITTAL OF THE BUDGET

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 110—SUPPLEMENTALS AND AMENDMENTS

Table of Contents

110.1 How does the President propose changes in the budget in between his annual transmittals of the budget?

After the President's Budget has been transmitted to the Congress, the President proposes changes in the budget by transmitting appropriations requests to revise the original budget request for the current year (supplemental) or budget year (amendment), including proposed appropriations language for legislative initiatives (e.g., items included in the budget as legislative proposals).

All proposed revisions must conform to the policies of the President. The requests may be for additional amounts or proposed changes in appropriations language that do not affect amounts previously requested, such as technical corrections or changes in a limitation on the use of trust funds. These requests may be either supplementals or amendments, depending upon when they are transmitted (see section 110.2).

You should make every effort to postpone actions that require supplemental appropriations. However, submit proposals that decrease or eliminate amounts whenever such changes are warranted. When requesting supplementals and amendments that increase the amounts contained in the budget, provide proposals for reductions elsewhere in the agency.

OMB will only consider requests for supplementals and amendments when:

- Existing law requires payments within the fiscal year (e.g., pensions and entitlements);
- An unforeseen emergency situation occurs (e.g., natural disaster requiring expenditures for the preservation of life or property);
- New legislation enacted after the submission of the annual budget requires additional funds within the fiscal year;
- Increased workload is uncontrollable except by statutory change; or
- Liability accrues under the law and it is in the Government's interest to liquidate the liability as soon as possible (e.g., claims on which interest is payable).

It generally takes a minimum of three weeks for OMB and the White House to consider agency proposals for supplementals or amendments that are not transmitted in the annual budget. Allow for this timing when making requests.

See section 82.10 for instructions on supplementals and amendments that will be transmitted with the budget. If the Congress has not completed action on your appropriations bill for the current year before the President transmits his request for the budget year, OMB will issue guidance on the presentation of any amendments to the President's current year request.

110.2 What are supplementals and amendments?

Supplementals are appropriation requests that are transmitted after completion of action on an annual appropriations bill by the Appropriations Committees of both Houses. They may be transmitted prior to, with, or subsequent to transmittal of the succeeding annual budget document. Supplemental requests that are known at the time the budget is prepared are normally transmitted to the Congress with the budget, rather than later as separate transmittals. However, each case will be decided separately. OMB representatives will inform you which supplementals will be transmitted with the budget so you can submit the necessary information. These supplementals may be:

- requesting additional amounts not previously anticipated; or
- requesting changes in appropriations language that do not affect amounts previously appropriated.

Amendments are proposed actions that revise the President's Budget request and are transmitted prior to completion of action on the budget request by the Appropriations Committees of both Houses of the Congress. This includes appropriations language for activities authorized since transmittal of the President's Budget that were included in the budget as a legislative proposal.

110.3 What do I need to send to OMB?

You need to submit the materials below. Also, you should be prepared to revise the material, as appropriate, to reflect Presidential decisions.

(a) *Appropriations language*.

See section 95 for a more detailed explanation of appropriations language requirements. With the expiration of section 251 of the Budget Enforcement Act, there is no longer a statutory procedure for "emergency" declarations. Nonetheless, OMB will continue to address supplemental and amendment requests for unforeseen and urgent requirements.

(1) *Supplementals*. Utilize exhibit 110A to develop language for supplemental requests.

(2) *Amendments*. Prepare language for budget amendments in the format of exhibit 110B. Use the language proposed for the budget year in the President's Budget, not the current year appropriation as the base (i.e., make changes to the budget year proposed language).

(3) *Contingent funding previously appropriated*. For releases of previously appropriated funding made contingent on the President taking additional action, agencies should contact their OMB representative.

(b) *Justification*.

Prepare a justification in accordance with applicable requirements of section 51. It should also include:

- The reason why additional funds are required in the fiscal year requested, identifying specifically which of the circumstances described in section 110.1 applies;
- An explanation of proposed language provisions, if necessary; and

- Pertinent data concerning the effect on Federal civilian employment.

For *supplemental requests* only, include the following:

- The date when requested funds are needed for obligation;
- A statement of actual and estimated obligations for the year, prepared on a quarterly basis; and
- A statement of actual obligations by month, for the previous three months.

(c) *Explanation of request*.

Provide a short explanation, including the effect of the request on outlays. This explanation should be suitable for transmittal to the Congress as part of the President's proposal. If appropriate, the explanation may be a synopsis of the major points that appear in the justification.

(d) *Letter from agency head*.

Provide a letter from the head of the agency that includes a statement concerning the validity of obligations, as required by 31 U.S.C. 1108.

Supplemental Requests
Appropriations Language Examples

DEPARTMENT OF GOVERNMENT
NATIONAL TECHNOLOGY FOUNDATION
International Geophysical Year

Headings will be identical with those used in the current year appropriations act.

For an additional amount for "International Geophysical Year," $28,000,000, to remain available until expended.

Additional amount for same purpose, subject to conditions set forth in original appropriation.

[Explanation, including the effect on outlays.]

NATIONAL MEDIATION COMMISSION
Salaries and Expenses

Additional amount for same purpose, but with an additional proviso not included in original appropriation text.

For an additional amount for "Salaries and Expenses," $3,000,000, to be derived by transfer from "Arbitration and emergency boards," fiscal year 20xx.

[Explanation, including the effect on outlays.]

FEDERAL TRADE ADMINISTRATION
Salaries and Expenses

No additional amount, but conditions set forth in original appropriation text are altered.

In addition to the amount made available under this heading in the Independent Agencies Appropriations Act, 20xx, for expenses of travel, $2,000,000 shall be available in that appropriation for such expenses.

[Explanation, including the effect on outlays.]

New appropriation item.

For new appropriation items, the account title is underscored.

LINCOLN SESQUICENTENNIAL COMMISSION
Salaries and Expenses

For expenses necessary to carry out the Act of August 5, 20xx, as amended (97 Stat. 366 and 69 Stat. 589), $759,000.

[Explanation, including the effect on outlays.]

All language is underscored.

Budget Amendments
Appropriations Language Examples

Agency:	DEPARTMENT OF GOVERNMENT		
Bureau:	AGRICULTURE UTILIZATION SERVICE		
Heading:	Salaries and Expenses		
FY BY Budget Appendix Page:	23	**[See Note 1]**	Only total request amended.
FY BY Pending Request:	$42,915,000	**[See Note 2]**	
Proposed Amendment:	$7,057,000	**[See Note 3]**	
Revised Request:	$49,972,000	**[See Note 4]**	

[Explanation, including the effect on outlays]

Agency:	DEPARTMENT OF GOVERNMENT		
Bureau:	FARM SERVICE		
Heading:	Salaries and Expenses		
FY BY Budget Appendix Page:	142	**[See Note 1]**	Change to total amount requested and other conditions.
FY BY Pending Request:	$795,098,000	**[See Note 2]**	
Proposed Amendment:	$91,292,000	**[See Note 3]**	
Revised Request:	$886,390,000	**[See Note 4]**	

(In the appropriations language under the above heading, delete "$796,752,000" and substitute <u>$888,044,000</u>; delete "$795,098,000" and substitute <u>$886,390,000</u>; and delete the entire second proviso beginning with ": Provided further, That beginning the fiscal year 20xx".)
[See Note 5]

[Explanation, including the effect on outlays]

Agency:	DEPARTMENT OF GOVERNMENT		
Bureau:	OFFICE OF THE SECRETARY		
Heading:	Salaries and Expenses		
FY BY Budget Appendix Page:	708	**[See Note 1]**	Appropriations language change only; no change to amount requested.
FY BY Pending Request:	$25,600,000	**[See Note 2]**	
Proposed Amendment:	Language		
Revised Request:	$25,600,000	**[See Note 4]**	

(In the appropriations language under the above heading, insert <u>and Hawaii</u> immediately following "forty-eight contiguous States".)
[See Note 5]

[Explanation, including the effect on outlays]

Budget Amendments
Appropriations Language Examples--Continued

Headings will be identical with the titles proposed in the President's Budget.

Agency:	DEPARTMENT OF GOVERNMENT	
Bureau:	RURAL HOUSING ADMINISTRATION	
Heading:	Community Grants	
FY BY Budget Appendix Page:	211	**[See Note 1]**
FY BY Pending Request:	---	
Proposed Amendment:	$10,000,000	
Revised Request:	$10,000,000	**[See Note 4]**

New appropriation item. (If the account appears in the BY Budget *Appendix* but includes no language request, the heading will not be underscored.)

(Insert the above heading and the appropriations language that follows immediately after the material under the heading "Rural Housing Grant":)

For grants for essential community facilities in rural areas pursuant to section 763 of the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127), $10,000,000.

[Explanation, including the effect on outlays]

Agency:	DEPARTMENT OF GOVERNMENT	
Bureau:	NATURAL RESOURCES CONSERVATION AGENCY	
Heading:	River Basin Salinity Control Program	
FY BY Budget Appendix Page:	187	**[See Note 1]**
FY BY Pending Request:	$2,681,000	**[See Note 2]**
Proposed Amendment:	-$2,681,000	**[See Note 3]**
Revised Request:	---	

Deletion of entire appropriations request.

(Delete the appropriations language under the above heading.)

[Explanation, including the effect on outlays]

Note 1: For revisions to transmitted amendments, this line will be entitled "House Doc. 10x-xx Page" or "Senate Doc. 10x-xx Page," as applicable.
Note 2: Amounts in this line should represent the estimates now pending congressional action. Do not include amounts that were included in the President's Budget as legislative proposals.
Note 3: Reductions in the estimates should be identified by a minus sign.
Note 4: Amounts in all lines should be shown in exact dollars.
Note 5: Language in the President's Budget proposed for the budget year will be the basis for the appropriations language, not the current year appropriation.

SECTION 112—DEFERRALS AND PRESIDENTIAL PROPOSALS TO RESCIND OR CANCEL FUNDS

Table of Contents

Summary of Changes

Clarifies that enacted deferrals should be placed on line 5 of the SF 132 (section 112.7).

112.1 What do I need to know about rescission proposals and deferrals (impoundments)?

Title X of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, requires the President to transmit a *special message* to the Congress whenever a permanent rescission of budgetary resources is proposed. It also requires that special messages be transmitted to the Congress when funds are withheld temporarily from obligation (i.e., deferred).

The President transmits *supplementary messages* to the Congress when information contained in a special message transmitted previously is revised. This section provides instructions on agency reporting procedures and required submissions to OMB. Section 82.9 explains how rescission proposals that are transmitted before or at the time the budget is transmitted are presented in the budget. Section 82.9 only addresses rescission proposals that will be considered permanent once enacted.

112.2 What is the difference between an impoundment and a cancellation proposed by the President?

Impoundment means any Executive action or inaction that withholds or precludes the obligation or expenditure of budget authority. There are two types of impoundments:

- *Rescission* means enacted legislation that reduces budget authority previously provided by law, prior to the time when the authority would otherwise expire. See section 112.18 for detailed instructions on rescission proposals by the President.

- *Deferral* means any Executive action or inaction that temporarily withholds or effectively precludes the obligation or expenditure of budgetary resources with the intent of using the funds before they expire. Deferrals are permitted only to provide for contingencies, to achieve savings made possible by or through changes in requirements or greater efficiency of operations, or as specially provided by law. Deferrals are generally effected through the apportionment process. See section 112.4 for instructions on reports to the Congress.

Rescission proposals and *deferrals* are subject to the requirements of Title X of the Congressional Budget and Impoundment Control Act, which require the President to transmit a *special message* to the Congress (see section 20.4(i)).

In contrast, *cancellation proposals* are proposals by the President to reduce budgetary resources that are not subject to the requirements of Title X of the Congressional Budget and Impoundment Control Act. Amounts proposed for cancellation are not to be withheld from obligation. Such amounts are subject to the normal apportionment instructions (see sections 120 and 121).

The instructions provided in the remainder of this section apply only to rescission proposals and deferrals.

112.3 When are funds deferred or proposed by the President for rescission withheld from obligation?

Rescissions. Generally, amounts proposed for rescission will be withheld starting immediately after the President submits the Special Message to the Congress. The withholding continues during the time proposals are being considered by the Congress. This will be accomplished through apportionment action.

For amounts withheld through the apportionment process, see section 112.19 for instructions on completing the SF 132 and SF 133 reports for enacted and proposed rescissions. (For timing of apportionment actions, see sections 120.29, 120.35, 112.15, and 112.16.)

Deferrals. OMB may approve apportionments that reflect available budgetary resources temporarily withheld from obligation through the apportionment process. OMB may take such deferral action on its own initiative or at the request of an agency. Do not defer funds without prior approval of OMB.

112.4 What materials are sent to the Congress?

Title X of the Congressional Budget and Impoundment Control Act requires the President to transmit the following materials to the Congress:

- Special messages;
- Supplementary messages, whenever any information contained in a previous special message is revised; and
- Cumulative reports listing the status, as of the first day of the month, of all deferrals and rescission proposals previously included in special messages. The cumulative reports are to be transmitted to the Congress by the 10th day of each month.

Instructions on reporting procedures are provided in section 112.18.

112.5 When do I need to submit material to OMB?

For deferrals and proposed rescissions withheld through the apportionment process:

- Submit the required materials when the corresponding apportionment or reapportionment requests are made to OMB, or
- If OMB suggests changes in or initiates rescission proposals or deferrals, furnish requested materials expeditiously on a time schedule determined by OMB.

Submit a supplementary report to OMB, including a revised rescission proposal report and proposed rescission language, or deferral report, as appropriate, whenever you submit a reapportionment request changing the amount of the rescission proposal or increasing the amount of the deferral, or making any substantial changes to information contained in a previous report.

OMB will report reductions in amounts deferred in cumulative reports based on approved apportionments. Contact OMB no later than the first day of the following month to report the release of all or portions of agency deferrals.

112.6 What materials do I submit for inclusion in a special message for a rescission proposal?

Submit the following materials to OMB for each rescission proposal:

- A proposed rescission report (see exhibit 112A);
- Proposed rescission appropriations language (see exhibit 112A); and

- An apportionment request (SF 132) that reflects the amount withheld pending rescission on line 9 of the SF 132 (see exhibit 112B).

For proposed rescissions that are transmitted on the same day (or shortly thereafter) as the budget, verify that amounts on the rescission report agree with the amounts printed in the budget *Appendix*. If accounts with amounts proposed for rescission are combined (or merged) with other accounts in the *Appendix*, the budgetary resources on the rescission report will agree with the combined (or merged) account in the *Appendix*, even if some of the combined accounts have no proposed rescission. Express all amounts in dollars (per the latest SF 132s).

112.7 What materials do I submit for inclusion in a special message for a deferral?

Submit the following materials to OMB for each deferral:

- A deferral report (see exhibit 112C); and

- An apportionment request (SF 132) that reflects the amount deferred on line 10 of the SF 132. When a deferral is enacted, include the amount, as a negative on line 5.

For deferrals that are transmitted on the same day (or shortly thereafter) as the budget, verify that amounts on the deferral report agree with the amounts printed in the *Appendix*. If accounts with amounts deferred are combined (or merged) with other accounts in the *Appendix*, the budgetary resources on the deferral report will agree with the combined (or merged) account in the *Appendix*, even if some of the combined accounts have no deferral. Express all amounts in dollars (per the latest SF 132s).

(For information on materials required for supplementary messages, see section 112.10.)

112.8 What narrative information do I need to include with rescission or deferral reports?

Include information in the rescission or deferral reports specifying:

- The amount proposed for rescission or deferral;

- The affected account and specific project or governmental functions involved;

- The reasons why the amount should be rescinded or deferred;

- The estimated fiscal, economic, and budgetary effects of the rescission proposal or deferral;

- The effect of the rescission proposal or deferral on the objects, purposes, and programs for which the amount was provided, to the maximum extent practicable; and

- Any other relevant facts, circumstances, and considerations.

Also specify in the deferral report the period of time the budget authority is to be deferred and any legal authority invoked to justify the deferral in addition to Title X of the Congressional Budget and Impoundment Control Act (2 U.S.C. 684).

The information you provide and that is incorporated into special messages constitutes formal notification to the Congress of rescission proposals and deferrals. As such, rescission and deferral reports that you prepare should set forth a brief description of the program; a justification that presents the reasons for the rescission proposal or deferral in a logical, clear, and concise fashion; a persuasive argument in support of each rescission proposal or deferral; and any other relevant information. Specifically address the estimated program and outlay effects.

For instructions on preparation of rescission and deferral reports, see section 112.18.

112.9 What am I required to do when a previously reported deferral or rescission proposal changes?

You are required to prepare a *supplementary report* whenever the purpose of the rescission proposal or deferral has not changed, but

- The amount of the proposed rescission changes;
- The amount of the deferral increases; or
- Other substantial changes are made to the previous report.

Do not prepare a supplementary report when the amount of a deferral decreases. OMB reports reductions in deferrals to the Congress in monthly cumulative reports based on approved apportionments. When all or portions of agency deferrals are released, contact your OMB representative no later than the first day of the following month so that OMB can report these deferrals in the cumulative reports.

When the *purpose of a deferral changes*, OMB may determine that a *new deferral report* is required instead of a supplementary report.

112.10 What information is required for the supplementary report?

The supplementary report should specify:

- The amount of the initial proposed rescission or deferral reported in a special message or, when revised reports have been made previously, the amount of the latest revision;

- The amount currently being deferred or proposed for rescission;

- The amount of the increase in the deferral or change in proposed rescission; and

- The reason for the change.

Whenever you revise information on a rescission proposal or deferral previously included in a special message, submit:

- A supplementary report explaining the change;

- The corresponding revised rescission or deferral report;

- In the case of rescissions, revised proposed rescission language; and

- In some cases, a reapportionment request.

(NOTE: Insert an asterisk (*) before revisions to information (e.g., amounts withheld or explanations) contained in rescission or deferral reports. Footnote the report "*Revised from previous report.")
The supplementary report, the revised rescission or deferral report, and revised rescission language will be included in a special message from the President to the Congress.

112.11 What are the responsibilities of OMB in preparing special messages?

OMB will compile and transmit the special and supplementary messages to the Congress and to the Comptroller General. After the special and supplementary messages are transmitted to the Congress and the Government Accountability Office (GAO), they are printed as House and Senate documents and in the Federal Register.

112.12 What should I do to help OMB prepare cumulative reports?

Notify OMB on the first day of each month when all or portions of agency deferrals are released. After the cumulative reports are transmitted to the Congress and GAO, they are printed as House and Senate documents and in the Federal Register.

112.13 What are my responsibilities after a deferral is reported to the Congress?

Review all deferrals periodically so that amounts deferred for only part of the year may be released in time to be used prudently before the year ends.

112.14 What apportionment action is required when a rescission is enacted?

If the Congress completes action on a Presidential rescission proposal within the 45–day period prescribed by law and rescinds the exact amount proposed by the President (and the amount is being withheld on line 9 of the SF 132), reapportionment action is not required to reflect the reduction in budget authority. Adjust the SF 132 to reflect the enacted rescission on line 6B (and remove it from line 9) only if reapportionment action is requested for other reasons.

In all other circumstances involving congressional rescission of amounts initially proposed for rescission by the President, submit reapportionment requests to OMB promptly upon completion of congressional action. (This includes instances when the Congress rescinds an amount different from that proposed by the President within the prescribed 45 days or rescinds all or any portion of the amount proposed by the President subsequent to the expiration of the prescribed 45 days of continuous session.) In all cases, follow congressional action on proposed rescissions affecting your programs or activities to ensure accurate and timely reapportionment action.

Congressionally-initiated rescissions may occur as the result of the reconciliation process established by the Congressional Budget Act (2 U.S.C. 641) or due to changing priorities or economic conditions during the year. Submit reapportionment requests after enactment of the statute in such cases and ensure that obligations do not exceed reduced appropriations.

112.15 What apportionment action is required when a rescission is not enacted?

According to law, funds withheld pending rescission must be released following expiration of the prescribed 45 days of continuous session without completion of action on the proposed rescission by both Houses of Congress.

When funds must be released because of congressional inaction on proposed rescissions, submit reapportionment requests reflecting the release of the affected amounts to OMB before the end of the prescribed 45 days, as determined by OMB. If the Congress is in session, the 45–day period begins the first day after the Congress receives a special message. If the Congress is not in session at the time of the transmittal of a special message, the 45–day period begins the first day the Congress convenes. If the second session of a Congress adjourns *sine die* before the expiration of the 45 days, the special message is considered retransmitted on the first day of the succeeding Congress and the 45–day period begins the following day. If either House recesses during a session for more than three days to a day certain, the number of days in recess is excluded from the counting period. OMB, in consultation with GAO, will determine the day for the release of each proposed rescission and will notify agencies when funds should be released.

112.16 What apportionment action is required when a deferral is disapproved?

When legislation is enacted to disapprove an Executive deferral, you must take prompt action to ensure the release of the affected amounts. If funds have been deferred through the apportionment process, submit a reapportionment request to OMB, reflecting release of amounts previously deferred not later than the day following enactment of the legislation.

112.17 How do I treat proposals to lower limitations on trust or revolving funds?

Statutory limitations on the availability of trust or revolving funds are a mechanism to control funds that would otherwise be available for obligation under broad authority. The limitations are generally not the source of authority to incur obligations; rather, they place a ceiling on the use of a portion of the obligational authority by limiting the amount that can be obligated or committed for a specific purpose or time. Generally, amounts in trust or revolving funds do not expire.

A proposal to lower a statutory limitation on funds that do not expire, by itself, will not result in a rescission. Even when the Congress enacts the lower limitation, the funds may continue to be available for other purposes in the same account.

Only careful programmatic and legal analyses of the account, the limitation, and the basic legislation authorizing the program will permit you to determine whether appropriations language to reduce the limitation is also required.

112.18 What do I include on the different lines of the rescission, deferral, and supplementary reports?

Prepare rescission, deferral, and supplementary reports in accordance with the following instructions: (Examples of these reports are illustrated in exhibits 112A and C.)

Entry	Description
Rescission proposal no. ………………...	A number (RCY–XX) is used to identify each proposed rescission. Enter "R" to designate a proposed rescission and the last two digits of the fiscal year for which the rescission is proposed. OMB will assign a serial number to distinguish between individual reports. You may obtain the serial number from your OMB representative after the special message is transmitted to the Congress. If a revised rescission report is prepared, add an "A" to the OMB-assigned serial number (XX) of the initial rescission proposal to indicate the first revision, a "B" to indicate the second revision, etc.
Deferral no. …………………………….	A number (DCY–XX) is used to identify each deferral. Enter a "D" to designate a deferral and the last two digits of the fiscal year for which the deferral action is taken. OMB will assign a serial number to

<table>
<tr><th>Entry</th><th>Description</th></tr>
<tr><td></td><td>distinguish between individual deferrals. You may obtain the serial number from your OMB representative after the special message is transmitted to the Congress.

If a revised deferral report is prepared, add an "A" to the OMB-assigned serial number (XX) of the initial deferral to indicate the first revision, a "B" to indicate the second revision, etc.</td></tr>
<tr><td>Agency …………………………………..</td><td>Enter the name of the department or agency for which the rescission is proposed or the deferral action is taken.</td></tr>
<tr><td>Bureau …………………………………..</td><td>Enter the name of the subordinate organization as shown in the most recent Budget.</td></tr>
<tr><td>Account …………………………………</td><td>Enter the title of the appropriation or fund account from which the funds are being proposed for rescission or are being deferred. Also include the Treasury account symbol(s) to indicate the coverage of the report. Enter the account symbols:

• For the accounts affected by the rescission proposal or deferral; or

• For all accounts that are included under the appropriation title
▸ not just those subject to the proposed rescission or deferral
▸ if the account affected by the proposed rescission or deferral is merged in the Budget. Footnote this line as follows:
"Includes all accounts included under this appropriation title."</td></tr>
<tr><td>New budget authority ………………….</td><td>Enter the amount of new budget authority specified in appropriation or substantive acts that is available in the current year for the accounts covered by the rescission or deferral report. This amount should equal the sum of new budget authority shown on lines 1A, 1B, 1C, and 1D of the latest SF 132 in exact dollars. For deferrals and proposed rescissions that are transmitted on the same day (or shortly thereafter) as the Budget, amounts should agree with the amounts printed in the Appendix. Thus, if accounts with amounts deferred or proposed for rescission are combined (or merged) with other accounts in the Appendix, the budgetary resources on the deferral or rescission report will agree with the combined (or merged) account in the Appendix, even if some of the combined accounts have no deferral or proposed rescission. Express amounts in dollars (per the latest SF 132s).</td></tr>
<tr><td>Other budgetary resources ……………</td><td>Enter the amount of other budgetary resources. This amount is equal to the sum of lines 2–6 on the latest SF 132.</td></tr>
<tr><td>Total budgetary resources …..…………</td><td>Enter the total amount of budgetary resources. This should equal the amount on line 7 of the latest SF 132.</td></tr>
<tr><td>Amount proposed for rescission ……...</td><td>On rescission reports, enter the amount of budgetary resources proposed for rescission.</td></tr>
<tr><td>Proposed appropriations language ……</td><td>Include proposed appropriations language (double-spaced and underlined) for rescission proposals.</td></tr>
<tr><td>Amount to be deferred …………………</td><td>On deferral reports, enter the amount of budgetary resources to be deferred, as follows:</td></tr>
</table>

Entry	Description
Part of year …………………………. Entry year …………………………..	• Report the amount to be deferred for part of the current year. Because you may not defer funds past the time that the funds would expire, you must report a part-year deferral when amounts to be deferred would expire at the end of the year (annual accounts and the last year of multiple-year accounts). • Report the amount to be deferred for the entire current year. Use only when the funds remain available beyond the end of the fiscal year.
Justification …………………………….	Provide a justification that briefly describes: • The activities funded by the account. • The rationale for the deferral or the proposed rescission and the consequences of not expending the funds. • The authority for withholding the funds in addition to the Impoundment Control Act. • Any legal authority in addition to sections 1012 and 1013 of the Impoundment Control Act (2 U.S.C. 683–684) for a rescission proposal or deferral. • Whether a rescission proposal or a deferral action is taken pursuant to the Antideficiency Act. Since these reports are transmitted by the President to the Congress, they should be written in a clear, concise, and logical manner so that those who are not familiar with the program will be able to understand the proposal.
Estimated programmatic effect ……….	When there is no estimated program effect, enter "None." This will normally be the case for rescissions proposed and deferrals made pursuant to the Antideficiency Act. When there is an estimated program effect, include a brief, clear statement of the expected effect.
Effect on outlays ………………………..	Show outlay savings for proposed rescissions for CY through BY+4 and the total for the five years, as appropriate. Do not show outlay savings for deferrals reported pursuant to the Antideficiency Act.
Footnotes ………………………………..	For the account(s) covered by a deferral or rescission report, cite any past or current year rescission proposals or deferrals affecting the same account. For a revised rescission or deferral report, indicate all sections containing changes from the initial report with an asterisk (*) and provide the footnote "*Revised from previous report." Subsequent revisions to a report will also indicate changes from the previous report with the specified footnotes. When more than one Treasury account is affected by a proposed rescission or deferral, OMB may require that detail on budgetary resources and changes be supplied at the Treasury account level.

112.19 How do I reflect the deferral or the proposed rescission on the SF 132?

The following instructions will apply with respect to rescissions and deferrals (see Appendix F for a description of all entries on the SF 132):

**EXPLANATION OF LINE ENTRIES ON STANDARD FORM 132
FOR RESCISSIONS AND DEFERRALS**

BUDGETARY RESOURCES

Line Entry	Description
Line 6. Permanently not available: B. Enacted reductions (–) ……….	Enter the amount of enacted rescissions, including rescissions of new appropriations, borrowing authority, contract authority, and prior year balances. *This line applies to only permanent reductions for budgetary resources returned to the general fund of the Treasury and not available for subsequent appropriation.* *Identify the public law containing the restriction in a footnote.*

APPLICATION OF BUDGETARY RESOURCES

Line Entry	Description
Line 9. Withheld pending rescission …	Enter the amount of budgetary resources to be withheld from availability pending congressional action on a presidential rescission proposal. Such amounts are subject to the Impoundment Control Act (2 U.S.C. 683). Include amounts proposed for rescission "to achieve savings made possible by or through changes in requirements or greater efficiency of operations," in accordance with 31 U.S.C. 1512. Also include amounts proposed for rescission for other reasons, as well as any unapportioned balances of revolving funds that are being proposed for rescission (amounts being proposed for rescission that could be effectively, efficiently, and legally obligated for the purposes appropriated).
Line 10. Deferred……………………..	Enter the amount of budgetary resources being set aside for possible use at a later date, before the funds expire. Such amounts are subject to the Impoundment Control Act (2 U.S.C. 684). Include amounts deferred to meet future contingencies under authority of 31 U.S.C. 1512 and 2 U.S.C. 684. These entries will also include unapportioned balances of revolving funds that are temporarily withheld restrictively and funds withheld when the agency could effectively, efficiently, and legally obligate the funds for the purposes appropriated. Include amounts in annual accounts deferred for apportionment later in the year, as well as amounts in multiple- and no-year accounts.
Line 11. Unapportioned balance of revolving fund ………………………...	Use for public enterprise and intragovernmental revolving funds, as well as trust funds that are subject to apportionment. Enter the amount of budgetary resources that is neither apportioned nor being withheld restrictively as a proposed rescission or deferral, but is credited to the current fiscal year.

Rescission Report—Sample Rescission Proposal

Rescission proposal no. RCY–XX

PROPOSED RESCISSION OF BUDGET AUTHORITY

Report Pursuant to Section 1012 of P.L. 93–344

Agency: DEPARTMENT OF GOVERNMENT
Bureau: Bureau of Statistics
Account: Salaries and expenses (80Y0200)

> The Y represents the year of availability and therefore should be changed.
>
> Annual Funds - last digit of the last year for availability. If 2008 change Y to 8, (8080200), if 2009 change Y to 9, (8090200), etc.
>
> Multi-year Funds - change Y to last digit of the years involved and use a /. 2008-2009 is represented as (808/90200)
>
> No-year Funds – use X (80X0200)

New budget authority:	$744,605,000
Other budgetary resources:	42,000,000
Total budgetary resources:	786,605,000
Amount proposed for rescission:	$223,000

Proposed rescission appropriations language:

Of the funds made available under this heading in Public Law XXX–XXX, $223,000 are rescinded.

Justification: The proposal would rescind $223 thousand, thereby reducing the amount generally available in the Bureau of Statistics. The Bureau conducts research to provide the means for a safer, more economical supply of office supply products for the Nation and to provide producers with technologies to supply these products competitively. The proposed rescission is possible because applications for research efforts have fallen drastically from expected levels. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated programmatic effect: As a result of the proposed rescission, Federal outlays will decrease, as specified below. This will have a commensurate effect on the Federal budget deficit and, to that extent, will have a beneficial effect on the economy. These reductions can be absorbed within the available resources and would have a negligible impact on the program.

Effect on Outlays (in thousands of dollars)

FY 20CY	FY 20BY	FY 20BY+1	FY 20BY+2	FY 20BY+3	Total
–178	–45	----	----	----	–223

Apportionment or Reapportionment Request for Rescission Proposal Reported in Exhibit 112A

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0200 [= Treasury account code]
YYYY [= fiscal year]
No [= program report categories included (Yes or No)]
Disc [= BEA Category (Disc, Mand, Split)]
No [= A-11 120.37 Authority to make adjustments; (Yes or No)]
[= Allocation agency; use only to apportion allocations]
[= Allocation sub-account; use only to apportion allocations]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

Line No	Line Split	AGENCY: Department of Government BUREAU: Bureau of Statistics	APPROPRIATION OR FUND TITLE AND SYMBOL 80Y0200 Salaries and expenses		
		DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
		BUDGETARY RESOURCES			
		Budget authority :			
3A1		Appropriation (Public Law 106-530)………………………	744,605,000	744,605,000	
		Spending authority from offsetting collections (gross)			
		Earned:			
3D1a		Collected…………………………………………		5,000,000	
3D3		Anticipated for rest of year, without advance ………………	42,000,000	37,000,000	
7		**Total budgetary resources……………………………**	786,605,000	786,605,000	
		APPLICATION OF BUDGETARY RESOURCES			
		Apportioned: *Memorandum: Obligations incurred*			
		Category A:			
8A1		First quarter………………………… 198,601,325	200,000,000	200,000,000	
8A2		Second quarter…………………………………	200,000,000	200,000,000	
8A3		Third quarter…………………………………	200,000,000	200,000,000	
8A4		Fourth quarter…………………………………	186,605,000	186,382,000	
9		**Withheld pending rescission……………………………**		223,000	
12		**Total budgetary resources……………………………**	786,605,000	786,605,000	

SUBMITTED *Authorized officer* 1/30/CY
(Authorized officer) (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Actual data as of 11/30/CY

Deferral Report

Deferral No. DCY–XX

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93–344

The Y represents the year of availability and therefore should be changed.

Annual Funds - last digit of the last year for availability. If 2008 change Y to 8, (8080200), if 2009 change Y to 9, (8090200), etc.

Multi-year Funds - change Y to last digit of the years involved and use a /. 2008-2009 is represented as (808/90200)

No-year Funds – use X (80X0200)

Agency: DEPARTMENT OF GOVERNMENT
Bureau: Bureau of Statistics
Account: Foreign Assistance (80Y0300)

New budget authority:	$2,419,600,000
Other budgetary resources:	486,647,204
Total budgetary resources:	2,906,247,204
Amount deferred for entire year:	$2,330,097,776

Justification: The deferral withholds all funds for which there are no approved country-by-country plans. The President is authorized by the Foreign Assistance Act of 1961, as amended, to furnish assistance to countries and organizations, on such terms and conditions as he may determine, in order to promote economic or political stability. Section 531(b) of the Act makes the Secretary of Government, in cooperation with the Administrator of the Bureau of Statistics, responsible for policy decisions and justifications for economic support programs, including whether to provide an economic support program for a country and the amount of the program for each country.

These funds have been deferred pending the development of country-specific plans that assure that aid is provided in an efficient manner and are reserved for unanticipated program needs. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated programmatic effect: None.

Apportionment or Reapportionment Request for Congressionally-Initiated Deferral for Account Illustrated in Exhibit 112C

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
1309 [= Treasury account code]
YYYY [= fiscal year]
No [= program report categories included (Yes or No)]
Disc [= BEA Category (Disc, Mand, Split)]
No [= A-11 120.37 Authority to make adjustments; (Yes or No)]
[= Allocation agency; use only to apportion allocations]
[= Allocation sub-account; use only to apportion allocations]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

Line No	Line Split	AGENCY: Department of Government BUREAU: Bureau of Central Services DESCRIPTION	Memorandum: Obligations incurred	APPROPRIATION OR FUND TITLE AND SYMBOL 80X1309 Research and Development AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
		BUDGETARY RESOURCES				
		Unobligated balance:				
1A		Brought forward, October 1 (+ or -)………………………		1,610,000	1,610,000	
		Recoveries of prior year unpaid obligations:				
2A		Actual………………………………………………………		27,000	123,823	
2B		Anticipated…………………………………………………		123,000	126,177	
3A1		Budget authority:				
		Appropriation (Public Law 105-456)................................		25,000,000	25,000,000	
		Spending authority from offsetting collections (gross):				
		Earned:				
3D1a		Collected......................................………………		86,000	205,973	
		Change in unfilled customer orders (+ or -):				
3D2a		Advance received………………………………………		9,000	6,123	
3D3		Anticipated for rest of year, without advance………….		305,000	87,904	
5		Temporarily not available pursuant to P.L. 106-99 (-)…….			-10,000,000	
6		Permanently not available:				
6B		Enacted reductions (-)……………………………………		-200,000	-200,000	
7		**Total budgetary resources**…………………………………		26,960,000	16,960,000	
		APPLICATION OF BUDGETARY RESOURCES				
		Apportioned:				
		Category A:				
8A1		First quarter………………………	99,049	120,000	120,000	
8A2		Second quarter……………………	101,014	120,000	120,000	
8A3		Third quarter………………………	110,941	120,000	120,000	
8A4		Fourth quarter……………………		120,000	90,000	
		Category B:				
8B1		Research…………………………	10,397,461	16,880,000	11,510,000	
8B2		Dev. of products …………………	2,017,601	9,600,000	5,000,000	
11		**Unapportioned balance of revolving fund**………………				
12		**Total budgetary resources**………………………………		26,960,000	16,960,000	

Line 5 may be used when:
- a general provision specifies that a certain percentage of the amount appropriated for a particular object (for example, travel or consultants) will not be available for obligation;
- congressionally-initiated deferral of an amount that has been appropriated is enacted, including enactment of a deferral in excess of that amount deferred by the Executive (enter the amount not available due to congressional action on this line); or
- a substantive law specifies that all or a portion of the amount appropriated is not available for obligation unless specifically authorized (enter the amount not available on this line and the total amount appropriated on line 1).

SUBMITTED Authorized officer 8/20/CY
(Authorized officer) (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.
Actual amounts are as of 5/31/CY
This apportionment reflects congressional-initiated deferral as contained in P.L. 106-99 on July 28, CY.

SECTION 113—INVESTMENT TRANSACTIONS

Table of Contents

Summary of Changes

Recognizes that the budgetary treatments described in this section may be superseded by statutory accounting requirements (section 113.1).

113.1 How do I record investment in securities, disinvestment, and earnings?

(a) *Overview.*

You may only invest funds in securities if you are authorized to do so by law. Authorizing laws usually specify investment in Federal securities; they rarely authorize investment in non-Federal securities (see the definitions below). The budget treatment of investment in non-Federal securities, described in subsection (c), differs from that of Federal securities, described in subsection (d).

The guidance in this section regarding purchase premiums and discounts doesn't apply to the Treasury Department's purchases of marketable Treasury securities from the public prior to their maturity (often referred to as "debt buybacks"). The budget records buyback premiums and discounts as means of financing a surplus or deficit, rather than as outlays or offsetting collections or receipts. The buyback premium or discount is the difference between the purchase price of a security and its book value. The book value can be expected to differ from the par value (face value) of the security. (See Chapter 24, "Budget System and Concepts and Glossary," pages 457–458, of the *Analytical Perspectives* volume of the 2001 budget for an explanation of the reason for this treatment.)

(b) *Special terms for investment defined.*

(1) *Accrued interest purchase* means payments to the seller of a security, when a security is purchased, for interest that has accrued to the seller but that will be paid to the purchaser.

(2) *Amortization* means to record a portion of any purchase discount or purchase premium in each reporting period over the life of a security, or it means the amount so recorded.

(3) *Book value* means the *par value* of a security minus the amount of any unamortized discounts or plus the amount of any unamortized premiums.

(4) *Earnings* refer collectively to some or all of these components: interest, accrued interest purchases, the amortization of purchase premiums and discounts, and sales gains and losses.

(5) *Federal securities* consist of securities issued by Federal agencies, including nonmarketable par value Treasury securities, market-based Treasury securities, marketable Treasury securities, and securities issued by other Federal agencies. This includes investments in Federal securities through the secondary market by Federal agencies. (Compare this to *non-Federal securities*.)

(6) *Interest* means the nominal interest or stated amount of interest received on a security.

(7) *Marketable Treasury securities*, including Treasury bills, notes, and bonds, are types of securities that Treasury initially issues by sale to the marketplace and that can be bought and sold on securities exchange markets.

(8) *Market-based Treasury securities* are special series debt securities that the U.S. Treasury issues to Federal entities without statutorily determined interest rates. These securities are not offered to the market place and cannot be bought and sold on exchange markets, but Treasury sets their terms (prices and interest rates) to mirror the terms of marketable Treasury securities. Because they mirror market terms, the purchase price may reflect a premium or discount.

(9) *Net value*, for the purpose of budget schedules, means the par value of a security reduced by the amount of any purchase discount on a cash basis. This definition differs from the definition of "Treasury securities, net" as reported in balance sheets under section 86.2 (see *Differences between amounts recorded in budget schedules and financial statements* in subsection (d)).

(10) *Nonmarketable par value Treasury securities* are special series debt securities that the U.S. Treasury issues to federal entities at par value. These securities are not offered to the market place and cannot be bought and sold on exchange markets. As required by the authorizing laws, Treasury sets the interest rate on such securities taking into consideration current market yields on outstanding marketable Treasury securities of specified maturity. Because these securities are sold at par value, there is no purchase premium or discount.

(11) *Non-Federal securities* consist of securities issued by a non-Federal entity, including State and local governments, private corporations, and Government-sponsored enterprises, regardless of whether the securities are federally guaranteed. This includes investments by Federal agencies in money market as well as mutual funds, even if the money market or mutual fund's assets consist entirely of Federal securities.

(12) *Par value* is the amount of principal a security pays at maturity. It is the amount printed on the face of a Treasury security, which is why it is sometimes referred to as the face value, or the equivalent book-entry amount.

(13) *Purchase discount* means the excess of a security's par value over its purchase price.

(14) *Purchase premium* means the excess of a security's purchase price over its par value.

(15) *Sales gain* means the excess of the sales price over the purchase price of the security.

(16) *Sales loss* means the excess of the purchase price over the sales price at the time of the sale.(c) *Non-Federal securities*

The budget treats an investment in a non-Federal security (equity or debt security) as a purchase of an asset, recording an obligation and an outlay in an amount equal to the purchase price in the year of the purchase. You cannot incur such an obligation unless budget authority (or unobligated balances of budget authority) is available for the purpose. If a law clearly requires such investment without requiring further action by Congress, we will generally construe that law as providing budget authority for the purpose.

Investment in non-Federal securities consumes budgetary resources, unlike investment in Federal securities. The purchase of non-Federal securities using unobligated balances reduces the balances. The balance doesn't include the value of non-Federal securities because the funds have been spent for the purchase of the assets.

When such securities are sold or redeemed at maturity, the budget records the proceeds as offsetting collections or receipts, which adds to the balances of the account.

You record interest and other earnings on such investments as described for earnings on Federal securities in the next subsection, except that you must account for such earnings separately from earnings on investments in Federal securities. You record earnings credited to a general fund appropriation account or revolving fund account as offsetting collections on line 8840, Non-Federal sources, of the program and financing statement. You record earnings credited to a special or trust fund account as proprietary receipts in a separate receipt account for this purpose.

In a few cases, the budgetary treatments described in this subsection are superseded by statutory accounting requirements. For example, the Federal Credit Reform Act of 1990 accounts for the government's issuance of a direct loan (as defined in that Act), which is conceptually similar to the acquisition of a private debt security, on a present-value rather than a cash basis. Also see section 185, Federal Credit. Some other statutes, such as those governing the Troubled Asset Relief Program, prescribe accounting akin to that in FCRA for the acquisition by those programs of non-federal equity, debt, or analogous securities.

The Treasury Financial Manual (TFM) provides guidance to agencies for the accounting and reporting of cash not deposited in a Treasury General Account and investments in non-Federal securities. It specifically provides guidance on cash and investments held outside of the U.S. Treasury as they relate to budgetary funds and non-budgetary funds under the Federal Government's custodial responsibility. An electronic version of the TFM chapter can be found at:

http://www.fms.treas.gov/tfm/vol1/v1p2c340.pdf.

In addition to the Treasury guidance, please contact your OMB representative to establish the appropriate receipt accounts, where necessary, to properly report the non-Federal investment activity. Receipt accounts may include, but are not limited to the following:

- Interest and dividends on non-Federal securities;
- Realized gains on non-Federal securities; and
- Proceeds from non-Federal securities not immediately reinvested.

(c) *Federal securities.*

Because Federal securities are the equivalent of cash for budget purposes, we treat investment in them as a change in the mix of assets held, rather than as a purchase of assets. The following bullets describe the treatment in general terms, and the following table explains how to record specific transactions in the budget. The purchase, sale, or redemption of an asset, or the earnings in a year, may combine several transactions.

- Principal. The investment reduces the cash balances by the purchase price and increases balances of Federal securities. How you report balances of Federal securities depends on which budget schedule you are working with.

  - *Special and trust fund receipts schedule (schedule N).* This schedule doesn't divide the unavailable balances into cash and Federal securities. It presents the balances as a single amount (unless the balances are divided for other reasons). The amount equals the uninvested cash balance, plus the *net value* (as defined in subsection (b)) of Federal securities held. MAX generates schedule N automatically. (See section 86.4.)

  - *Program and financing schedule (schedule P).* This schedule doesn't divide balances (unobligated or obligated balances) into cash and Federal securities. It presents the balances as a single amount (unless the balances are divided for other reasons). The amount equals the uninvested cash balance, plus the *net value* (as defined in subsection (b)) of Federal securities held. Enter the end of year unobligated and obligated balances in MAX as you would normally. In addition, you must enter memorandum entries for total investments at *par value* at the start and end of each year. (See section 82.3.)

  - *Status of funds schedule (schedule J).* We require this schedule for certain accounts listed by agency in section 86.5. For unexpended balances at the start of the year and at the end of the year, the schedule presents separate amounts for the cash balance, the balance of Federal securities at *par value,* and unrealized purchase discounts. The MAX database generates schedule J automatically, except that it does not divide balances into amounts for cash, Federal securities at par value, or unrealized purchase discounts. You must enter these amounts. (See section 86.3.)

- Earnings. You record all earnings as net interest. Some components may be positive (such as interest and realized purchase discounts) and others negative (such as accrued interest purchases and purchase premiums). Record each component as an increase or decrease in the net interest for the year in which the transaction occurs. For investments from a general fund appropriation account or revolving fund account (including a trust revolving fund account), record interest as an offsetting collection credited to the account (line 8820 Interest on Federal securities) of the P&F schedule. For investments from a special or trust fund account (non-revolving), record interest in a receipt account for interest (usually one ending with the suffix .20). The Status of Funds schedule, if one is required for the account, records earnings on lines that correspond to the entries for offsetting collections in the P&F schedule or the receipts credited to receipt accounts, as appropriate.

We may specify an alternative treatment for certain accounts where these rules may result in significant distortions of amounts presented in the budget.

The following table lists the transactions associated with investments in Federal securities in the first column and explains how to record them in the budget schedules in columns 2 through 4. Please note these features of the table:

- The second column contains instructions for recording transactions in the P&F schedule. The instructions for recording principal transactions apply to all accounts investing or disinvesting in securities. The instructions for recording earnings apply only to investments from general fund appropriation accounts or revolving fund accounts (including trust revolving funds).

- The third column contains instructions for recording earnings in special and trust fund (except trust revolving fund) receipt accounts for interest.

- The fourth column contains instructions for recording transactions—both principal transactions and earnings transactions—in the Status of Funds schedule required for certain accounts listed in section 86.3.

- Although the instructions on balances specify end of year balances, they apply equally to start of year balances, because end of year balances are carried forward and become the start of year balances for the next year. MAX automatically generates the start of year balances in the Unavailable Collections schedule (MAX schedule N), the P&F schedule (MAX schedule P), and the Status of Funds schedule (MAX schedule J), except that you must break out the amounts for cash, Federal securities at par value, and unrealized purchase discounts in the Status of Funds schedule.

- A negative sign "(–)" at the end of a stub label means that you normally report negative amounts on this line. A direction to increase the amount reported means you should report a larger negative amount, and a direction to decrease the amount means you should report a smaller negative amount. The absence of a sign means you normally report positive amounts on this line. It is possible for negative earnings (such as a sales loss) for an account for a year to produce a positive amount for offsetting collections, or a negative amount for receipts, if the amounts reported for other transactions during the year are not sufficient to offset the negative earnings. (No signs appear in the stub labels printed in the budget.)

If the transaction is...	**In the P&F schedule...**	**Or, in the special or trust fund receipt account for interest (usually suffix .20) ...**	**And, in the Status of Funds schedule...**
(1) Principal, upon investment.	Increase the amount reported on line 9202, "Total investments, end of year; Federal securities: Par value," by the par value in the purchase year.	Not applicable.	Decrease the amount reported on line 8700, "Uninvested balance (net), end of year," by the purchase price in the purchase year. Increase the amount reported on line 8701, "Invested balance, end of year," by the par value in the purchase year.
(2) Purchase discount—the excess of a security's par value over the purchase price.	Not applicable.	Not applicable.	In the year of the purchase, increase the amount reported on line 8700, " Uninvested balance (net), end of year," by the discount amount. When the security matures: (1) Decrease the amount reported on line 8700, "Uninvested balance (net), end of year," by the amount of the purchase discount; and (2) increase the amount reported on the line

If the transaction is...	In the P&F schedule...	Or, in the special or trust fund receipt account for interest (usually suffix .20) ...	And, in the Status of Funds schedule...
			corresponding to the offsetting collection or receipt, as appropriate, by the amount of the purchase discount.
(3) Purchase premium—the excess of a security's purchase price over its par value.	Decrease the amount reported on line 8820, "Interest on Federal securities (–)," by the premium amount in the year of the purchase.	Decrease the amount reported as interest by the premium amount in the year of the purchase.	Decrease the amount reported on the line corresponding to the offsetting collection or receipt, as appropriate, by the amount of the purchase premium in the year of the purchase.
(4) Accrued interest purchase—a payment to the seller of a security, when a security is purchased, for interest that has accrued to the seller but that will be paid to the purchaser.	Decrease the amount reported on line 8820, "Interest on Federal securities (–)," by the amount of the accrued interest purchase in the year of purchase.	Decrease the amount reported as interest by the amount of the accrued interest Purchase in the year of the purchase.	Decrease the amount reported on the line corresponding to the offsetting collection or receipt, as appropriate, by the amount of the accrued interest purchase in the year of purchase.
(5) Interest—the nominal or stated amount of interest received.	Increase the amount reported on line 8820 "Interest on Federal securities (–)," by the amount of interest received each year.	Increase the amount reported for interest by the amount of interest received each year.	Increase the amount reported on the line corresponding to the offsetting collection or receipt, as appropriate, by the amount of interest received each year.
(6) Principal, upon redemption at maturity.	Decrease the amount reported on line 9202, "Total investments, end of year; Federal securities: Par value," by the par value in the year of redemption.	Not applicable.	Increase the amount reported on line 8700, "Uninvested balance (net), end of year," by the par value in the year of redemption. Decrease the amount reported on line 8701, "Invested balance, end of year" by the par value in the year of redemption.
(7) Principal, upon sale before maturity.	Decrease the amount reported on line 9202, "Total investments, end of year; Federal securities: Par value," by the par value in the year of sale.	Not applicable.	In the year of the sale: Increase the amount reported on line 8700, "Uninvested balance (net), end of year" by the sales price. Decrease the amount reported on line 8701,

If the transaction is...	In the P&F schedule...	Or, in the special or trust fund receipt account for interest (usually suffix .20) ...	And, in the Status of Funds schedule...
			"Invested balance, end of year" by the par value. Decrease the amount reported on line 8700, "Uninvested balance (net), end of year," if the security was purchased at a discount.
(8) Sales gain—the excess of the sales price over the purchase price.	Increase the amount reported on line 8820, "Interest on Federal securities (–)," by the amount of the gain in the year of the sale.	Increase the amount reported for interest by the amount of the gain in the year of the sale.	Increase the amount reported on the line corresponding to the offsetting collection or receipt, as appropriate, by the amount of the gain in the year of the sale.
(9) Sales loss—the excess of the purchase price over the sales price.	Decrease the amount reported on line 8820 "Interest on Federal securities (–)," by the amount of the loss in the year of the sale.	Decrease the amount reported for interest by the amount of the loss in the year of the sale.	Decrease the amount reported on the line corresponding to the offsetting collection or receipt, as appropriate, by the amount of the loss in the year of the sale.

Differences between amounts recorded in budget schedules and financial statements.

- Purchase discounts. Budget schedules record them when the security matures. In most cases, financial statements amortize them over the term of the security.

- Purchase premiums. Budget schedules record them at purchase. In most cases, financial statements amortize them over the term of the security.

- Net value. For budget schedules, the term means the par value of a security minus the amount of any purchase discount on a cash basis. Don't confuse it with the term *Treasury securities, net* used in financial statements, which means the par value of a security minus the amount of any unamortized discounts or plus the amount of any unamortized premiums.

- Signs. Earnings reported as offsetting collections in the program and financing schedule carry the opposite sign from income reported in financial statements. In the program and financing statement, increases in income are reported as negative amounts and decreases are reported as positive amounts.

Differences between amounts recorded by Treasury and the budget. You will encounter differences between Treasury records and the budget if a law authorizes you to invest special or trust funds in Federal securities but requires appropriations acts to determine the amount of receipts available to incur obligations. Treasury treats the authority to invest the receipts as an appropriation, recording the receipts as appropriated in the year received and subsequently as unexpended balances of appropriations (combined unobligated and obligated balances). Since such appropriations do not provide budget authority, do not record budget authority in the program and financing schedule. The MAX database will report these amounts, along with the other amounts reported as unavailable collections, in the special schedule required under section 86.4 (without separate identification for the invested portion of the balances).

113.2 How do I treat an investment in a Federal security other than a zero coupon bond on an SF 133?

If you purchase a Federal security *at a discount*, the total balances on the SF 133 should not change. See exhibit 113A for all accounts. See section 130 for a discussion of the SF 133 Report on Budget Execution and Budgetary Resources.

If you purchase a Federal security *at a premium*:

- For a general fund appropriation account or a revolving fund (including a trust revolving fund), you reduce the collections on line 3D1a by the premium, i.e., the amount greater than par. See exhibit 113B.

- For a special or trust fund account (excluding a trust revolving fund), normally there will be no change on the SF 133 because the reduction will be in the special or trust fund receipt account.

113.3 How do I treat the redemption of a Federal security other than a zero coupon bond on an SF 133?

If the purchase was at a *discount* and if the redemption is at *par*:

- For a general fund appropriation account or a revolving fund (including a trust revolving fund), you show the discount realized on line 3D1a. See exhibit 113C.

- For a special or trust fund account, you will show the discount realized when the amount is appropriated out of the special or trust fund receipt account. See exhibit 113D.

113.4 How do I treat investments in securities issued by non-Federal entities on an SF 133?

Treat investment in non-Federal securities (equity or debt securities) as the purchase of an asset. You must record an obligation and an outlay for the purchase in an amount equal to the purchase price.

113.5 How do I treat an investment in a zero coupon bond on an SF 133?

If you purchase a zero coupon bond *at a discount*, the total balances on the SF 133 should change. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. See appendix F and section 82.3 as well as Appendix F for treatment of investments in zero coupon bonds.

113.6 How do I treat the redemption of a zero coupon bond on an SF 133?

When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation.

Investment in Federal Securities at a Discount
All Accounts

Illustration: An account with a cash balance of $1,500 invests in a $1,000 (par value) Federal security at a 10% discount.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
BUREAU: Bureau of Central Services	80X1309 Research and development		
BUDGETARY RESOURCES			
1. Unobligated balance:			
A. Brought forward, October 1 (+ or -)	1,500		
7. Total budgetary resources	1,500		
STATUS OF BUDGETARY RESOURCES			
8. Obligations incurred:			
9. Unobligated balance:			
A. Apportioned:			
1. Balance, currently available	1,500		
11. Total status of budgetary resources	1,500		
CHANGE IN OBLIGATED BALANCES			
NET OUTLAYS			
19. Net outlays:			
A. Gross outlays (+)			
B. Offsetting collections (-)			

The beginning balance is made up of $1,500 in cash.

No obligation is recorded because the principal transaction is treated as a change in the mix of assets.

As a result of the investment:
- o Cash $600
- o Federal securities (at par) $1,000
- o Unrealized discounts.... - $100
- Net balances $1,500

No gross outlays are recorded because the principal transaction is treated as a change in the mix of assets.

______________ ______
(Authorized Officer) (Date)

(Preparer: Name) ____________________
(Address) ____________________
(Phone number) ____________________

Investment in Federal Securities at a Premium
General Fund Appropriation or Revolving Fund Accounts

Illustration: An account with a $1,500 balance in cash invests and pays a $100 premium for a Federal security with par value of $1,000.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Bureau of Central Services	80X1309 Research and development	
BUDGETARY RESOURCES		
1. Unobligated balance:		
A. Brought forward, October 1 (+ or -)..	1,500	Beginning balance consists of: ♦ Cash……………….. $1,500
3. Budget Authority:		
A. Appropriation:		
1. Actual…………………………………		Identify in a footnote, the law(s) providing budget authority.
D. Spending authority from offsetting collections (gross):		
1. Earned:		
a. Collected……………………………………………	-100	Record the amount greater than par as a negative amount on line 3D1a.
7. Total budgetary resources…..................................……………	1,400	
STATUS OF BUDGETARY RESOURCES		
9. Unobligated balance:		
A. Apportioned:		
1. Balance, currently available…........................……………	1,400	The ending balance consists of $1,000 for the U.S. securities at par, and $400 in cash (the $1,500 on line 2A minus the $1,100 paid to purchase the security).
11. Total status of budgetary resources.….........................………	1,400	
CHANGE IN OBLIGATED BALANCES		
NET OUTLAYS		
19. Net outlays:		
A. Gross outlays (+) …...………………...…………………………		
B. Offsetting collections (-)………………………………………..	100	Record the amount as an offset to outlays.

NOTE: Line 3A1, P.L. 1XX-123

_________________ ______
(Authorized Officer) (Date)

(Preparer: Name) ________________________
(Address) ____________________________
(Phone number) _________________________

Federal Security Purchased at a Discount and Sold or Redeemed at Par
General Fund Appropriation or Revolving Fund Accounts

Illustration: This account redeems the security at par value and receives cash.
This means that the discount realized is authorized to be credited and used without further appropriation action.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government BUREAU: Bureau of Central Services	APPROPRIATION OR FUND TITLE AND SYMBOL 80X1309 Research and development		
BUDGETARY RESOURCES			
1. Unobligated balance:			
A. Brought forward, October 1 (+ or -)........................	1,500		
3. Budget Authority:			
D. Spending authority from offsetting collections (gross):			
1. Earned:			
a. Collected..	100		
7. Total budgetary resources........................	1,600		
STATUS OF BUDGETARY RESOURCES			
9. Unobligated balance:			
A. Apportioned:			
1. Balance, currently available....................	1,600		
11. Total status of budgetary resources..............	1,600		
CHANGE IN OBLIGATED BALANCE			
NET OUTLAYS			
19. Outlays:			
A. Gross outlays (+)....................................			
B. Offsetting collections (-)...........................	-100		

When the cash for the discount is collected, record it on this line.

Record the amount as an offset to outlays.

(Authorized Officer) (Date)

(Preparer: Name)
(Address)
(Phone number)

Federal Security Purchased at a Discount and Sold or Redeemed at Par Special or Trust Fund Accounts (excluding Trust Revolving Funds)

Illustration: This is identical to the circumstances in Exhibit 113C, except the account is a special or trust fund and the realized discount is automatically appropriated.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Bureau of Central Services	80X8309 Central Trust Fund	
BUDGETARY RESOURCES		
1. Unobligated balance:		
A. Brought forward, October 1 (+ or -)...........................	1,500	
3. Budget Authority		
A. Appropriation:		
1. Actual................................	100	
7. Total budgetary resources..	1,500	
STATUS OF BUDGETARY RESOURCES		
9. Unobligated balance:		
A. Apportioned:		
1. Balance, currently available....................................	1,600	
11. Total status of budgetary resources..	1,600	
CHANGE IN OBLIGATED BALANCES		
NET OUTLAYS		

Start of year balance:
- Cash.............................. $600
- Federal securities (at par) $1,000
- Unrealized discounts......... - $100

Net balances............ $1,500

Identify in a footnote, the law(s) providing budget authority.

When appropriated (together with other receipts), count the discount realized as budget authority on line 3A1 and reflect it In the balances on line 9A below.

The end of year balance is made up of $1,600 cash.

NOTE: Line 3A1, P.L. 1XX-123

_________________ _______
(Authorized Officer) (Date)

(Preparer: Name) _________________________
(Address) ______________________________
(Phone number) __________________________

CIRCULAR NO. A–11

PART 4

INSTRUCTIONS ON BUDGET EXECUTION

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 120—APPORTIONMENT/REAPPORTIONMENT PROCESS

Table of Contents

Preparing the Apportionment/Reapportionment Request

Apportionments in Special Circumstances

Summary of Changes

Revises the requirements for reapportionments. After the first apportionment for the fiscal year, downward adjustments of any amount to budgetary resources do not need to be reapportioned, unless specifically required by OMB (section 120.38).

Clarifies that the authority to make upward adjustments to appropriated amounts applies only after the initial apportionment for the year (section 120.38).

120.1 What is an apportionment?

An apportionment is a plan, approved by OMB, to spend resources provided by one of the annual appropriations acts, a supplemental appropriations act, a continuing resolution, or a permanent law (mandatory appropriations). Resources are apportioned by Treasury Account Fund Symbol (TAFS). The apportionment identifies amounts available for obligation and expenditure. It specifies and limits the obligations that may be incurred and expenditures made (or makes other limitations, as appropriate) for specified time periods, programs, activities, projects, objects, or any combination thereof. An apportioned amount may be further subdivided by an agency into allotments, suballotments, and allocations.

Reapportionments are made when you need to make changes to the previously approved apportionment. For example, you should request a reapportionment when approved apportionments are no longer appropriate or applicable because the amounts available for obligation have increased or unforeseen events have occurred.

Pursuant to the Impoundment Control Act, apportionments may also set aside all or a portion of the amounts available for obligation. Amounts *deferred* through the apportionment process are those portions of the total amounts available for obligation that are specifically set aside as temporarily not available until released by OMB. Amounts withheld pending *rescission* are those portions that are set aside pending the enactment of legislation reducing the authority to obligate such funds. For further information on deferrals and rescissions, see section 112.

120.2 What are the purposes of the apportionment process?

The primary purpose of the apportionment process is to centralize the Administration approval of agency spending plans to:

- Prevent agencies from obligating funds in a manner that would require deficiency or supplemental appropriations. In certain specified instances (see section 120.41), OMB may approve apportionments and reapportionments that indicate the necessity for a deficiency or supplemental appropriation. However, these instances must be reported to Congress.

- Achieve the most effective and economical use of amounts made available.

Apportionments also reflect any legal limitations imposed by Congress.

The secondary purpose of the apportionment process is to identify meaningful program reporting categories that agencies will report their obligations against in their SF 133 Reports on Budget Execution and Budgetary Resources (see section 130). For example, rather than reporting a single number for its obligations, a Department of the Interior account may separately show obligations for maintaining land resources, protecting endangered species, and managing recreational sites. Other kinds of accounts would use program reporting categories suited to their needs.

OMB and agencies work together to determine what program categories agencies will report upon. Program categories should be based on elements that agencies track in their financial systems. In some cases, you may choose to report upon the same programs that appear in the Program and Financing Schedule of the President's Budget. Though you are encouraged to use program reporting categories, there are some cases where OMB and agencies will choose not to use any reporting categories.

The program reporting categories are not used to apportion funds, are not subject to the Antideficiency Act (Appendix G), and are not shown on the actual SF 132 apportionment forms, but are included as attachments to these forms.

OMB and agencies are encouraged to identify reporting categories well in advance of the beginning of a fiscal year, and in advance of the time that the first apportionment requests are produced by the agencies. The reason is that agencies need time to place entries in their financial systems to allow them to track these program categories throughout the year. Agencies may need considerable time (many months) to add new categories to their financial systems. One reason is that large numbers of staff including timekeepers, procurement staff, administrative officers, and others need to document the new program categories, and train program office staff on how to use the new categories. In addition, agencies may need time to update their computer programs to extract the data.

Section 121.2 describes how to use program reporting categories in the apportionment process.

120.3 Are apportionments made at the Treasury appropriation fund symbol (TAFS) level, and what is a TAFS?

Apportionments are made at the TAFS level.

OMB makes apportionments and reapportionments at the TAFS level maintained by the Treasury Department's Financial Management Service. This level includes the Treasury agency or department, the period of availability to incur new obligations, and the Treasury account symbol.

In cases of allocation transfers (see section 120.20), the agency administering the parent appropriation will submit a consolidated apportionment request that encompasses the parent TAFS and all allocations. Receiving agencies will not prepare an apportionment request for allocation accounts unless required by OMB.

120.4 What types of resources are apportioned by OMB?

OMB apportions budgetary resources (such as budget authority), non-budgetary resources (such as foreign currency, as described in section 120.42), and non-financial resources (such as personnel and motor vehicles). In addition, OMB may apportion an agency's other authority, pursuant to statutory authority.

120.5 Are all apportionments based on authority to incur obligations?

No. OMB, at its option, may apportion TAFSs on whatever basis will provide effective controls. OMB usually apportions the budgetary resources of a TAFS based on the authority to incur new obligations. However, OMB may apportion budgetary resources on a pre-obligation basis, such as "administrative commitments," which are made before obligations are incurred. If OMB apportions on a basis other than obligations, you should continue to include obligations in the FACTS II system. In addition, include in a footnote the amount of “administrative commitments” against the amount shown on the apportionment.

120.6 What TAFSs are apportioned?

All TAFSs will be apportioned unless OMB determines otherwise and informs you (or has informed you) in writing, except those listed in section 120.7. The following types of funds will be apportioned (this is not an exhaustive list):

- All credit program, financing, and liquidating TAFSs;
- Trust funds;
- Intra-governmental revolving funds;
- Receipts made available by law for industrial and power operations; and
- Grants to the States under titles I, IV, X, XIV, XVI, XIX, or XX of the Social Security Act or under any other public assistance title in such Act.

120.7 What TAFSs are *not* apportioned by OMB?

The following types of TAFSs are exempt from apportionment and from using program reporting categories:

- TAFSs specifically exempted from apportionment by 31 U.S.C. 1511(b) or other laws.
- TAFSs for which budgetary resources:
    - Are available only for transfer to other TAFSs (unless OMB requests);
    - Have expired for obligational purposes (in this case, the last apportionment during the unexpired phase applies); or

- Have been fully obligated before the beginning of the fiscal year.

- TAFSs that the Director of OMB has exempted from apportionment pursuant to 31 U.S.C. 1516, unless the agency is notified that particular TAFSs will be apportioned:

  - Management funds (Treasury TAFSs with the symbols 3900–3999);
  - Payment of claims, judgments, refunds, and drawbacks;
  - Payment under private relief acts and other laws that require payment to a designated payee in the total amount provided in such acts;
  - Foreign currency (FT) fund TAFSs (unless OMB requests), section 120.42;
  - Interest on, or retirement of, the public debt; and
  - Items the President has determined to be of a confidential nature for apportionment and budget execution purposes.

120.8 What categories does OMB use to apportion funds?

OMB usually uses one of three categories to distribute budgetary resources in a TAFS.

Category A apportionments distribute budgetary resources by fiscal quarters.

Category B apportionments typically distribute budgetary resources by activities, projects, objects or a combination of these categories. One TAFS can potentially have dozens of Category B apportionments, each pertaining to specific activities, projects, and so on. There are also cases when it makes programmatic sense for OMB to use a single, Category B apportionment for a given TAFS.

Category C apportionments may be used in multi-year and no-year TAFSs to apportion funds into future fiscal years. See section 120.9 for additional information.

Apportionments may include a combination of categories.

120.9 Will OMB apportion funds for periods longer than one fiscal year?

Yes. OMB will sometimes apportion funds for periods longer than one fiscal year.

Multi-year and no-year funds are provided with the expectation that the funds will be obligated over more than one fiscal year. OMB will apportion no-year TAFSs and available multi-year TAFSs beyond the current fiscal year where financial requirements are known in advance, provided that an apportionment is made at the beginning of each fiscal year in accordance with section 120.14.

When you plan to obligate amounts appropriated in a no-year or multi-year TAFS over more than one fiscal year, you may propose to apportion funds planned for obligation after the current fiscal year into a subsequent fiscal year. Include on line 3A1 of the apportionment request the full amount appropriated and available for obligation in the current fiscal year, including amounts planned for obligation in subsequent fiscal years. Include planned obligations for the current year in line 8 of the apportionment request under either Category A (by quarter) or Category B (by project). Include the amount planned for obligation after the current fiscal year on line 8C, Apportioned for future fiscal years. Reminder, apportionments last no longer than one fiscal year. Funds must be apportioned at the beginning of each fiscal year in accordance with section 120.14.

OMB will *not* apportion annual TAFSs and the last year of multi-year TAFSs for periods longer than one fiscal year, as this would be an impoundment (i.e., a deferral during the year, and a de-facto rescission after the funds expire).

120.10 How do I display funds that are *not* currently needed?

Funds that are not currently needed may be displayed on the apportionment form as deferred, withheld pending rescission, or as an unapportioned balance of a revolving fund (see section 112 for further information on amounts not apportioned).

If your apportionment or reapportionment request contains a proposed rescission or deferral, you must submit a rescission or deferral report that outlines the reasons for and the effects of the proposed action. (See section 112 for instructions on how to prepare these reports.)

120.11 How do I request changes in the time periods of an apportionment?

You may request changes in the time periods covered by apportionments. OMB will consider apportioning funds for time periods other than calendar quarters whenever such periods are more representative of program activities or will facilitate their execution.

Submit your proposed changes in a letter to OMB before you submit the initial apportionment schedule for the year. Exceptions may be made if special situations arise during the year.

120.12 Can OMB reapportion a past period?

No. Apportionments previously established are not subject to change after the period for which the apportionment is made.

120.13 Do unobligated resources apportioned in earlier time periods of the same fiscal year remain available?

Yes. Whenever budgetary resources are apportioned for time periods of less than a fiscal year (for example, fiscal quarters), any apportioned but unobligated balances at the end of any period will remain available for obligation through the remainder of the current fiscal year without reapportionment, unless otherwise specified on the apportionment form.

120.14 Must I request that funds apportioned in one fiscal year be apportioned in the next fiscal year if the funds were *not* obligated and remain available?

Yes. When budgetary resources remain available beyond the end of a fiscal year (i.e., carryover), you must request a new written apportionment for the current or upcoming (if requested before October 1st) fiscal year for all TAFSs subject to apportionment, unless OMB determines otherwise. Until you receive a written apportionment from OMB, the amount of carryover apportioned is zero dollars. All budgetary resources that were apportioned in the previous year (including anticipated resources, e.g., anticipated reimbursements, recoveries, etc.) are not available for obligation in the current fiscal year until apportioned by OMB in the current year or upcoming fiscal year (if requested before October 1st). Apportioned anticipated resources are not available for obligation until realized.

120.15 What is the status of previously approved apportionments when a new apportionment is approved, either in the same or a subsequent fiscal year?

New apportionment action for a fiscal year is independent of all apportionment actions of the previous year (including the apportionment of amounts under Category C in the previous fiscal year). Subsequent reapportionment action, including that necessitated by the enactment of legislation providing additional budget authority, will supersede previous apportionment action taken during the year and will cover all transactions from the beginning of the fiscal year. The last approved apportionment for a fiscal year will cover all transactions for that fiscal year. Additionally, an expired TAFS is reported as apportioned (or unapportioned) based on the last apportionment of the TAFS while it was unexpired.

120.16 What is the status of an apportionment that has been approved before the beginning of a fiscal year for a program covered by a continuing resolution?

When balances are apportioned prior to the beginning of a fiscal year but are supplemented by funds provided under a continuing resolution, the automatic apportionment approved by OMB, via an OMB Bulletin, will cover only the new amounts provided by the continuing resolution. The earlier apportionment will cover amounts not provided by the continuing resolution or available before the congressional action on the continuing resolution.

120.17 What transactions will be covered by apportionments approved after a continuing resolution has been replaced by an enacted appropriation?

A reapportionment approved after the enactment of a TAFS's regular source of budget authority will cover all transactions from the beginning of the year, including those obligations incurred under the continuing resolution. Similarly, when OMB exempts balances from apportionment pending enactment of a TAFS's regular source of budget authority, initial apportionment action for the new fiscal year will cover all transactions from the beginning of the year (for example, obligations incurred under any available unobligated balances as well as under authority provided by a continuing resolution).

120.18 Can I use an apportionment to resolve legal issues about the availability of funds?

No. The apportionment of funds should not be used as a means of resolving any question dealing with the legality of the amounts available by law or the legality of using funds for the purpose for which they are apportioned. Any question as to the legality of using funds for a particular purpose must be resolved through legal channels.

120.19 What footnotes are operative on approved apportionments?

Apportionment requests that OMB approves contain as many as three sets of footnotes. Reapportionments may include previously approved footnotes that are not operative, and are only presented for informational purposes. All footnotes on the OMB footnote tab are operative and in effect. Footnotes on the agency request footnote tab are not operative, and are only presented for informational purposes.

120.20 Who is responsible for preparing the apportionment request for allocation (transfer appropriation) TAFSs?

The agency administering the parent appropriation will submit a consolidated apportionment request that encompasses the parent TAFS and all allocations. (Receiving agencies will not prepare an SF 132 for allocation TAFSs unless required by OMB.) Agencies administering the parent appropriation must ensure that the agencies administering the allocation accounts are provided the approved apportionment request on a timely basis. Unless determined otherwise by OMB, allocation transfers are apportioned at the same category level as the parent account (e.g., category A, B, or C.). The agency administering the parent TAFS will indicate to the receiving agency what portion of the consolidated apportionment is transferred to the allocation TAFS. Obligations incurred for the program as a whole are limited by the approved apportionments. In addition, the agency administering the parent TAFS may sub-allot the amount, by time periods (akin to Category A apportionments) or by activities or projects (akin to Category B apportionments) to the receiving agency, or to subsequent fiscal periods (akin to Category C apportionments. Receiving agencies will be responsible for keeping obligations within the amount so specified; for example, the amount transferred to the allocation TAFS or the sub-allotment, as appropriate. Exhibits 121Q and 121R show how to apportion both the parent and child for allocation transfers. In order for the transfers to crosswalk correctly in the SF 133 and President's Budget, please ensure that both the parent and child use the appropriate USSGL for allocation transfers (http://www.fms.treas.gov/USSGL/).

120.21 Must I include a footnote regarding the one percent apportionment requirement to cover obligations in the canceled phase?

No, except you may footnote each apportionment for annual and/or multi-year TAFS only if you believe that the current TAFS will be needed to liquidate canceled appropriations. In those cases, use the following footnote: "Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriations for this account is apportioned for the purpose of paying legitimate obligations related to canceled appropriations."

120.22 Why must I base my apportionment/reapportionment requests on financial plans?

You must base your apportionment/reapportionment requests on financial plans so that the distribution on apportionments is part of your agency's overall financial plan for the year. You should ensure that the apportionment and its supporting financial plan are based on a careful forecast of obligations to be incurred under the work programs or operations planned during the year. In many cases, experience in past years will be a useful guide.

120.23 Will I show the same level of detail in my financial plan from year-to-year?

Normally, yes. However, OMB may require that you change the nature or level of detail of your financial plans from year to year due to changing circumstances. You should consult with OMB about the level of detail required in financial plans well in advance of your submission of apportionment requests.

120.24 Do I need to explain how I developed my financial plan?

Yes. Submit a suitable explanation as part of your request in a footnote or on a separate sheet when funds are apportioned for calendar quarters or other time periods of less than a year. Make appropriate provision for any seasonal or similar variations in fiscal requirements when such factors make it necessary to request apportionments in varying amounts.

120.25 What supporting data should I include with the apportionment request?

Include sufficient supporting data with your apportionment and reapportionment requests to justify the financial requirements set forth therein. We encourage you to discuss the availability of supporting data with OMB. These data include performance goals and performance indicators such as output and outcome measures when possible. You should prepare the information before you submit initial apportionments so that you can provide specific supporting data that OMB may require.

120.26 Will OMB request FTE plans to support the apportionment request?

Yes. OMB may request that you provide supporting data on full time equivalent employment (FTE) as part of your apportionment requests. For example, OMB may request that you provide plans on expected and/or actual FTE usage for your agency as a whole, or for components within your agencies, e.g., bureaus or accounts. OMB may request FTE data backing up the apportionment on a monthly, quarterly, or other basis depending on the program and situation.

120.27 What format is used for the apportionment request?

Agencies will use OMB's web-based system to submit their apportionment requests to OMB. The system allows agencies to create two basic formats for SF 132 apportionment requests. The condensed format shows only those lines that have non-zero amounts. The expanded format shows all lines, even though some lines will have zeroes in the amount columns. Agencies must work with their OMB representatives to determine which format is acceptable.

120.28 Can I combine TAFSs on the apportionment?

Almost without exception, no. However, agencies may request permission to combine TAFSs on the apportionment. Agency requests must be submitted via email to your normal OMB representative and to OMB's Budget Concepts Branch (BCB). The email address for the BCB contact is Chris_Fairhall@omb.eop.gov.

In addition, OMB may require agencies to combine TAFS on the apportionment. These requirements must be sent via email to the agency and to OMB's Budget Concepts Branch.

120.29 Will footnotes and attachments become part of the apportionment?

Yes. Unless otherwise specified on the apportionment, the apportionment signed by a responsible OMB official and all attachments transmitted to the agency become part of the apportionment. Any cover letter is *not* part of the apportionment. (Program reporting categories, which are not presented in the actual apportionment form itself (see section 121.2) and are therefore not a part of the apportionment, are not subject to the Antideficiency Act.)

The signature of OMB's approving official on the apportionment implies approval of, or concurrence with, any footnotes or comments you inserted on the form. OMB will note its disapproval of agency footnotes or comments by using its own footnotes or comments.

120.30 When are initial apportionments due at OMB?

If ...	Then, submit your initial apportionment request by ...
Any part of the budgetary resources for a TAFS is not determined by current action of the Congress (such as permanent appropriations, public enterprise and other revolving funds subject to apportionment, reimbursements and other income, and balances of prior year budget authority)	August 21, as required by 31 U.S.C. 1513(b)
All or any part of the budgetary resources for a TAFS are determined by current action of the Congress	August 21, or within 10 calendar days after the approval of the appropriation or substantive acts providing new budget authority, whichever is later

We encourage you to begin preparation of apportionments and related materials as soon as the House and Senate have reached agreement on funding levels. In this way, you can make a timely submission of your request to OMB, and OMB can have adequate time for its review.

120.31 While OMB is reviewing my first written apportionment request for newly enacted appropriations, am I under an automatic apportionment?

Yes. For newly enacted appropriations you are automatically apportioned the lowest of:

- The pro-rata share (1/365th for each day) of last year's enacted appropriations level;
- The pro-rata share (1/365th for each day) of the current year's enacted appropriation level; or
- The historical seasonal level of obligations.

Under this automatic apportionment, all of the footnotes and conditions placed on prior year apportionments remain in effect. You may allot up to one month of automatically apportioned newly enacted budget authority in your accounting or financing systems. Once a written apportionment is approved by OMB, the automatic apportionment ceases to remain in effect.

120.32 Who can sign the apportionment request?

Agencies must use appropriate internal controls in preparing apportionment requests, and specifically ensure that the agency official with authority to approve the request has done so. The approving official at the agency is not required to sign the request that is sent to OMB, but may optionally do so if required by the agency's internal controls or if required by the OMB examining division.

120.33 How do I submit apportionment requests to OMB?

Agencies will typically use OMB's web-based system to submit their apportionment requests to OMB. In those circumstances when you are unable to use the web-based system, you will submit apportionment requests in electronic format using Excel spreadsheets (see section 121.5). You will almost always be required to send OMB an electronic copy of the apportionment request. In some cases, the OMB examining division may request you to provide a hard copy of the signed request.

120.34 Should I assemble apportionment requests for multiple TAFSs in a single package?

Yes. To the extent practical, submit apportionment requests for each independent agency, departmental bureau, or similar subdivision together in accordance with the instructions in section 121.5.

120.35 How can I expedite OMB approval of my apportionment request?

Your apportionment requests will always receive quicker review and approval if you have discussed your requirements and proposed changes with your OMB representative before the actual apportionment is prepared. You may also want to submit your apportionment in draft to work out any disagreements before Congress takes final action on your appropriation. You are encouraged to submit apportionment requests early for programs accruing interest liabilities pursuant to the Cash Management Improvement Act. You may submit these initial apportionment requests and supporting materials to OMB on or soon after the day Congress completes action on the appropriations bill. This action will expedite OMB approval of the apportionment request and help reduce potential interest liabilities.

Discuss alternative ways to expedite approval of apportionments with OMB. For example, apportionments may be submitted and approved by telephone or fax for emergency funding needs. As soon thereafter as it is practical, submit apportionment schedules reflecting such action.

120.36 How will OMB indicate its approval of an apportionment?

Prior to FY 2008, a designated OMB official showed approval of apportioned amounts in the "Action by OMB" column of an apportionment by signing the apportionment in pen and ink. OMB then forwarded (e.g. faxed, mailed or emailed with a scanned signature) the approved apportionment to you, and sent you an electronic copy of the approved apportionment via email. OMB showed its approval this way whether an agency requested an apportionment or OMB initiated the apportionment.

In FY 2008, OMB started using a new method to show its approval of apportionments. The new method replaces the ink signature with a digital authoritative mark in the Excel file that contains the apportionment. The authoritative mark shows the name, title and digital signature imprint of the OMB official who approved the apportionment, as well as the date and time of approval. The Excel file is locked, but may be opened in read-only mode. In addition, OMB maintains a copy of the approved apportionment in its secure, web-based system. As OMB continues to transition from using ink signatures to using digital authoritative marks, you may receive apportionments that have been approved using either method.

OMB will notify you of the action taken on the initial requests by September 10, as required by law. For TAFSs that have budgetary resources solely as a result of current action by the Congress, OMB will notify you of its action taken on apportionment or reapportionment requests by September 10 or within 30 calendar days after the approval of the act providing new budget authority, whichever is later.

120.37 What program changes will require that I submit a reapportionment request to OMB?

Submit a reapportionment request to OMB as soon as a change in an apportionment previously made becomes necessary due to increases in amounts available (e.g., actual reimbursements differ significantly from estimates), where you want to obligate against the increased resources; program requirements; or cost factors; except as specified in section 120.38. Submit such requests well in advance of the time revised amounts are needed for obligation to allow time for action by OMB. Remember that an apportionment for a specific time period may not be changed after the end of the period.

When emergencies, such as those involving the safety of human life or the protection of property, require immediate action, you may request, and OMB may approve, a reapportionment by telephone. As soon thereafter as it is practical, submit apportionment schedules reflecting such action.

For credit program and financing TAFSs, submit a reapportionment request for subsidy re-estimates at the beginning of each fiscal year (starting with the fiscal year following the year in which a disbursement is made) as long as the loans are outstanding (see sections 185.17 and 185.18). Also submit a reapportionment request for subsidy modifications when the modification is approved by OMB (see section 185.21). Credit program and financing TAFSs are also subject to the standard reapportionment requirements described above (see sections 185.14 though 185.22 for further guidance on apportioning credit accounts).

Submit a reapportionment request within *10 calendar days* after approval of an appropriation or substantive act providing budget authority, where such authority is enacted after the initial apportionment for the year has been made (except as specified in section 120.38). We encourage you to begin preparation of apportionments and related materials as soon as the House and Senate have reached agreement on funding levels.

In some cases, you will need to submit initial apportionment schedules before the unobligated balance brought forward has been precisely determined. If the unobligated balance brought forward, as shown on the latest approved apportionment schedule, is larger than the unobligated balance at the end of the preceding year, as reported on the final SF 133 for that year, and the difference is larger than the amount specified in section 120.38, OMB must approve the reapportionment request *before* you can obligate the additional funds.

Include a footnote for line 1A of the apportionment request that explains the difference if the unobligated balances on the reapportionment schedule do not agree with those:

- Reported on the final SF 133 of the preceding year;

- Reported to the Treasury for inclusion in the U.S. Government Treasury Annual Report Appendix; or

- Presented in the Budget Appendix as a past-year actual amount.

120.38 What adjustments can I make without submitting a reapportionment request?

- After the initial apportionment for the fiscal year, downward adjustments of any amount to budgetary resources do not need to be reapportioned, unless specifically required by OMB.

After the initial apportionment for the fiscal year, unless OMB determines otherwise, you may adjust amounts apportioned for the current year without the submission of a reapportionment request by adding:

- Upward adjustments in the amount of unobligated balances brought forward (line 1A) up to $400,000 or two percent of the amount of total budgetary resources, whichever is lower, from the amount apportioned for the period in progress when the adjustment is made.

- Increases in amounts of budget authority transfers (line 4A) or balances transferred (line 4C), up to $400,000 or two percent of the amount of total budgetary resources, whichever is lower, from the amount apportioned for the time period in progress when the adjustment is made.

- Increases in amounts of anticipated budget authority (line 3A2), spending authority from offsetting collections (line 3D), or recoveries (line 2A) that are realized above anticipated amounts, up to $400,000 or two percent of the amount of total budgetary resources, whichever is lower, from the amount apportioned for the last time period. If the amount is realized in the first quarter, then it is automatically apportioned to the first quarter. If the amount is realized in the second quarter, then it is automatically apportioned to the second quarter. Likewise, in the third and fourth quarters.

In credit financing TAFSs, additional amounts for the payment of interest to Treasury are automatically apportioned.

120.39 What other types of adjustments can I request OMB to allow me to make without submitting a reapportionment request?

You may make other specific types of adjustments to apportionments without submitting a reapportionment request if specified on the most recently approved apportionment form or otherwise approved in writing by OMB. For example, OMB may include on an approved apportionment a statement (or a YES in the Line Split column of the Adjustment Authority Provided row) that, to the extent provided in law, actual earned reimbursements are available without further OMB action. These adjustments may also include amounts of supplemental appropriations or other authority enacted in the last period, adjustments of amounts apportioned on a basis other than time periods, and adjustments of time period apportionments other than those mentioned above.

Your apportionment submission must indicate that you have previously received, or are requesting, OMB approval to use this authority.

120.40 How do I treat automatic adjustments on subsequent reapportionment requests?

Unless OMB determines otherwise, when amounts are automatically apportioned (as specified in section 120.38, section 120.39 or section 185.19) and there is a subsequent need for reapportionment, reflect adjustments previously made as automatic apportionments in the previously approved column. Include a footnote where changes have been previously made as automatic apportionments.

120.41 When do I submit requests anticipating the need for supplemental authority?

Submit requests anticipating the need for supplemental authority only under exceptional circumstances as authorized by law. The Antideficiency Act (31 U.S.C. 1515) permits apportionments to be made that indicate the need for supplemental budget authority only when:

- Laws have been enacted subsequent to the transmittal to the Congress of the budget request that require expenditures beyond administrative control.

- Emergencies arise involving (1) the safety of human life, (2) the protection of property, or (3) the immediate welfare of individuals in cases where an appropriation that would allow the United States to pay, or contribute to, amounts required to be paid to individuals in specific amounts fixed by law or under formulas prescribed by law, is insufficient.

- Supplemental appropriations are required to permit payment of such pay increases as may be granted pursuant to law to civilian officers and employees (including prevailing rate employees whose compensation is fixed and adjusted from time to time in accordance with prevailing wage rates) and to retired and active military personnel.

In addition, other laws may be enacted that authorize apportionments that anticipate the need for supplemental estimates of appropriations (for example, a continuing resolution that authorizes deficiency apportionments necessitated by civilian and military pay increases).

When you submit a requested apportionment that indicates a necessity for a supplemental or deficiency estimate of appropriations, include the following notation on the apportionment request (SF 132):

"This apportionment request indicates a necessity for a supplemental appropriation now estimated at $_____________."

Submit the apportionment request to OMB along with your agency head's determination of the reasons for a deficiency apportionment, as required by law (31 U.S.C. 1515). The statement of necessity will read as follows:

"I hereby determine that it is necessary to request apportionment (or reapportionment) of the appropriation '(appropriation title)' on a basis that indicates the necessity for a supplemental estimate of appropriations, because .... [cite one of the allowable reasons mentioned above]."

Usually, you will reflect the need for a supplemental in quarterly apportionments by making the request for the fourth quarter less than the amount that will be required. For apportionments by activities, verify that the amount requested for each activity provides for continuing that activity until the supplemental appropriation is expected to become available. OMB approval of requests for a deficiency apportionment does *not* authorize you to exceed available resources within a TAFS.
Fully justify the amount of any anticipated supplemental appropriation. Action on the apportionment request does not commit OMB to the amount of the supplemental that will be recommended subsequently to the President or transmitted to the Congress.

120.42 How do I apportion foreign currency fund (FT) TAFSs?

OMB may request that you apportion your FT TAFSs. If so, type "Authority to spend foreign currency receipts" in the stub column for line 3A on the apportionment request. Include the most recent Treasury exchange rates on each apportionment request and SF 133. Include amounts transferred from Treasury and credited to the agency foreign currency TAFSs on line 3A. Include amounts anticipated to be transferred during the year on line 3A2. Limit balances brought forward (on line 1A) to balances in your FT TAFSs.

Verify that foreign currency units reported in dollars agree with the "Foreign Currency Statement and Account Current" (Foreign Service Form 488) prepared by disbursing officers.

OMB may require that you prepare an SF 133 report in dollars for each currency in each FT TAFS.

120.43 How are funds appropriated to the President distributed to agencies?

Appropriations or other budget authority made to the President may be distributed to agencies that have responsibilities for the purposes to be served by such appropriations or authority. Such agencies will present requests for funds, supported by a justification, to the designated coordinating agency. The coordinating agency will notify the requesting agency of amounts to be transferred.

When action by the President is necessary to make a distribution, the coordinating agency will prepare the necessary documents for the President's signature. The coordinating agency will provide OMB a copy of the distribution request, as approved by the President.

For appropriations, the coordinating agency will prepare Standard Form 1151 and process it through the Treasury Department to effect the distribution. For authority to borrow, the receiving agency will arrange with the Treasury Department for the drawdown of money as needed.

SECTION 121—SF 132, APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

Table of Contents

Summary of Changes

Adds 'S' for 'spending authority from offsetting collections' as an option for a line split value on line 6D: Permanently not available: Other authority withdrawn (-) (Exhibit 121A).

121.1 How is the apportionment (SF 132) organized?

The apportionment (SF 132) contains two general sections: **Budgetary Resources** and **Application of Budgetary Resources**. Under Budgetary Resources, you display the sources of actual and anticipated resources as well as actual and anticipated reductions to those resources. Under the Application of Budgetary Resources, you display how you intend to use those resources, whether by fiscal quarter, activity, project, object, or a combination thereof.

The apportionment is divided into four columns:

- Previous Approved
  - *Initial apportionment requests*. Leave the column blank. See exhibits 121E, and 121F, and 121H for examples of an annual appropriation, a no-year appropriation, and appropriations provided by a continuing resolution.
  - *Reapportionment requests*. Include the amounts in the "OMB Action" column of the previously approved apportionment for the same fiscal year. Unless OMB determines otherwise, when amounts are automatically apportioned (as specified in section 123.5, section 120.38 or section 120.39) and there is a subsequent need for reapportionment, reflect adjustments previously made as automatic apportionments in the "Amount on Latest SF 132" column. Footnote the changes made as automatic apportionments. See exhibits 121G, 121J, 121K, 121M, and 121L for examples of *reapportionments*.
- Agency Request—Include amounts in the column for each applicable line. Report the detailed information on each line of the form as explained below.
- OMB Action—When you validate your request, the web apportionment system places formulas in the OMB Action column to set it equal to the Agency Request column. OMB will adjust the OMB Action values as necessary when reviewing your request.
- Memo obligations (YYYY-MM-DD)—Include memorandum obligations in this column. Also include the date of the obligations using the YYYY-MM-DD format.

Apportionment (SF 132) line numbers are shown on exhibit 121A. Appendix F includes descriptions of the items that you must include on each line (e.g., line 8C, apportioned for future fiscal years).

Usually, lines for reporting actual amounts will apply only to reapportionment requests. Unless more recent figures are available, verify that all amounts agree with the most recent SF 133. Include a footnote on the SF 132 to indicate the period covered by the actual amounts reported on the form.

121.2 How do program reporting categories fit into the apportionment process?

Agencies and OMB use the apportionment process to identify those program reporting categories that agencies will report obligations against in their SF 133 reports. (As noted in section 120.3, not every

TAFS uses program reporting categories.) The program reporting categories are not used to apportion funds, are not subject to the Antideficiency Act, and are not presented on the actual apportionment form itself. The program reporting categories are included as an attachment to the apportionment. The program categories tab includes a column titled, "Projected, Annual Obligations." Agencies should check with their examining divisions to see whether they need to fill in this column. Agencies should note that the total anticipated obligations do not need to add to the total amounts on the apportioned lines. Do not use program reporting categories that are identical to Category B stubs. The simple rule is that you use two or more program categories for a Category B project. Finally, you may sometimes use program categories for one Category B project but not use program categories for a different Category B project.

Guidance in past issuances of Circular A-11 required agencies to use All Other categories. For instance, you may have used two categories, one for Air, the other for Water. The past guidance said you had to use an All Other category, as well. You may optionally use an All Other category, but you are no longer required to do so. See Exhibit 121C for a sample format of program reporting categories. This exhibit uses the optional All Other categories and is consistent with the apportionment information in Exhibits 121F and 121B.

121.3 Why does OMB send the names of program reporting categories and Category B projects to Treasury for use in FACTS II?

OMB sends program reporting categories from approved apportionment attachments to the Department of the Treasury's Financial Management Service (FMS), which operates the FACTS II system that agencies use to report their SF 133 budget execution information. When reporting their obligations, FACTS II provides agencies with the list of program reporting categories to report upon; these are the same categories that OMB provides from the apportionment attachments.

For those TAFSs that use Category B projects but do not use program reporting categories, OMB sends FMS the list of Category B projects for use in FACTS II reporting.

OMB sends this information to FMS so OMB can use automated tools to align program reporting categories and Category B projects on the apportionments to the budget execution reports. Prior to this change, OMB was unable to create automated reports that show apportioned amounts (from the SF 132) and obligations (from the SF 133) by program reporting category or Category B project. The reason is that the SF 132s and SF 133s used slightly different names for the Category B projects, so it was impossible to use a computer program to line up the projects by name.

121.4 Can agencies add new program reporting categories or Category B projects when reporting their FACTS II data?

Yes, but only when it makes sense to do so. Here are some examples.

First, you must report all obligations that took place during the reporting period. If FACTS II does not provide you with a comprehensive list of program reporting categories or Category B projects to report all your obligations, you must add more categories or projects to report your obligations against.

Second, if you are aware that OMB has apportioned funds using Category B projects that are not presented in FACTS II, then you must add the missing Category B projects names, and report your obligations for those projects.

Third, if you are aware that OMB has used program reporting categories that are not presented in FACTS II, then you should add the missing program reporting category names, and report the obligations for those categories.

121.5 What apportionment formats are available, and what information must I include in these formats?

Unless OMB approves otherwise, all agencies must prepare apportionment requests using OMB's secure web-based apportionment application system. The system allows you to easily create apportionment requests using either an expanded (SF 132) or condensed (letter) format. The following exhibits show what these formats look like:

- Exhibit 121A shows the Expanded (SF 132) format including credit-only rows.
- Exhibit 121D shows the Expanded (SF 132) format.
- Exhibit 121B shows the Condensed (letter) format.

Here are links to information on the apportionment application and the apportionment application user guide:

Apportionment application

Apportionment application user guide

All formats ask you to provide a variety of information. Some, but not all, of the information required is shown below:

The fiscal year being apportioned.

The Treasury Appropriation Fund Symbol (TAFS) being apportioned, and the titles for the TAFS, bureau, and agency.

The SF 132 line number; see Appendix F.

The SF 132 line number split. You can use the line split to distinguish between two or more amounts that are reported on a single line. For example, you may use line number split to distinguish between two or more sources of collections. You may not use line number splits for apportioned amount lines.

The SF 132 line stub is used for all lines on the SF 132 apportionment. For letter apportionments, you must use the line stub on apportioned lines.

All applicable amounts, e.g., the amount on the latest SF 132, the agency request, and the action by OMB.

For either format, all amounts must be rounded to the nearest dollars; do not use cents. Do not round to thousands. Do not use dollar signs.

121.6 Will all apportioned amounts be shown on the expanded or condensed formats?

No. At times, OMB will approve apportionments when the amounts are not known at the time the apportionment is prepared. Common examples are:

- *When OMB issues an OMB Bulletin automatically apportioning amounts made available by a continuing resolution* (see section 123.6). Because amounts apportioned under continuing resolutions are for relatively short periods and are derived by formula, the formats described in section 121.5 are not used. If you or OMB determines that your program or account should be apportioned separately during a continuing resolution because you need an amount different than the automatic apportionment, you should use one of the formats described in section 121.5.

- *Adjustments permitted by section* 120.38. Adjustments of specified apportioned amounts are permitted without the submission of a reapportionment request.

- *Adjustments permitted in writing by OMB* (section 120.39). OMB may include in an apportionment a statement that, to the extent provided in law, allows actual unobligated balances, actual recoveries, or actual earned reimbursements to be available without further OMB action. This is an expansion of the type of adjustment permitted by section 120.38.

Reapportionment requests submitted through the year should include the amounts automatically apportioned in the columns entitled "Previous Approved" and "Agency Request."

121.7 What format do I use to show program reporting categories?

If the agency and OMB decide to use program reporting categories, you must include a worksheet, named Pgm_Cat, to show the program reporting categories. **The name of the worksheet must be Pgm_Cat, and cannot be changed.** You do not need to include a Pgm_Cat worksheet if you are not using program reporting categories.

The program reporting categories worksheet includes columns for the Treasury agency, Treasury account, first year of availability (FY1), second year of availability (FY2), SF 132 Line, and Report Cat No. When you fill out all of these columns, OMB will send those rows with a reporting category from 1–98 to FMS for use in FACTS II reporting. You may include rows that OMB will not send to FMS. For example, you may find it helpful to have rows with sub-totals. For any sub-total row, you must blank out the Treasury agency, Treasury account, first year of availability (FY1), second year of availability (FY2), SF 132 Line, and Report Cat No.

When completing the program reporting categories worksheet for Category A apportionments, you should include one row for each reporting category, rather than one row for each quarter. For example, if you have two reporting categories for Category A obligations, one for salaries, the second for all other, then the program reporting categories worksheet would only include two rows; the worksheet should not include separate rows that correspond to each quarter.

The expanded (SF 132) and condensed (letter) apportionment templates available from OMB's web page include the Pgm_Cat worksheet. Instructions on how to prepare this worksheet can be found on OMB's web site.

121.8 Why do I need to report information on transfer appropriation (allocation) accounts in my apportionment request?

Since FY 2004, OMB has sent Category B project and program reporting category stubs from approved apportionments to FACTS II, and since FY 2005 OMB has sent BEA category information from the apportionments to FACTS II. Sending this information to FACTS II makes it easier for agency staff to respond to the FACTS II reporting requirements.

Unless OMB requests otherwise, for allocation transfers, A–11 instructs agencies administering the parent appropriation to submit a single, consolidated apportionment request that encompasses the parent TAFS and all allocation accounts. (In a limited number of cases, OMB also apportions the allocations.) When submitting consolidated apportionment requests, you must provide a list of the allocations. This information will enable OMB to send stubs and BEA information to FACTS II for the allocation accounts, rather than just the parent accounts.

If you have an apportionment that includes allocations, you must include a worksheet, named Allocations, to show the required information. **The name of the worksheet must be Allocations, and cannot be changed.** You can use the Allocations worksheet with either the expanded SF 132 or the condensed SF 132 (letter) apportionment. You do not need to include an Allocations worksheet if you are not using allocations.

121.9 Why do I need to report Budget Enforcement Act classifications in my apportionment request?

To make it easier for FACTS II users to do their jobs and to improve the quality of the FACTS II BEA classifications, agencies are now required to indicate on their apportionment requests whether each TAFS is discretionary, mandatory, or split (receiving both discretionary and mandatory funding). OMB will provide this BEA information to Treasury so that it will be available as a FACTS II edit check.

121.10 How do I treat extensions of the availability of unobligated balances?

Extensions of the availability of unobligated balances of budget authority are treated as new budget authority (e.g., reappropriations) or balance transfers depending on:

- The underlying authority to extend the availability; and
- Whether availability is extended before or after the balances have expired.

Not all extensions of the availability of unobligated balances are considered to be reappropriations. The term "reappropriation" applies only to those extensions of availability resulting from laws enacted after the law that provided the budget authority. Reappropriations can be enacted before or after the balances have expired. The definition *excludes* extensions resulting from provisions included in the same law that appropriated the funds or from standing provisions of law enacted before the budget authority was provided. Extensions of availability of unobligated balances that also involve transfers between accounts will be handled on a case by case basis in consultation with OMB. A graphic display of the treatment of extensions of availability of unobligated balances is included at the end of this section.

(a) *Extensions that are treated as new budget authority.*

Reappropriations of amounts that have expired are recorded as new budget authority in the year in which the reappropriated amounts become newly available for obligation. In addition, reappropriations of amounts that would expire before the legislation takes affect (e.g., a reappropriation of funds that would expire at the end of FY 2008 included in an FY 2009 appropriations act enacted in August, 2008) would be treated as new budget authority (reappropriations).

An example of this type of extension is found in section 137 (Division F) of the Consolidated Appropriations Act, 2003, which states:

> "….the funds provided in Labor, Health and Human Services, Education and Related Agencies Appropriations Act of 2002, Public Law 107–116, for the National Museum of African American History and Culture Plan for Action Presidential Commission shall remain available until expended."

In this example the FY 2002 appropriated funds were annual and therefore expired at the end of September 30, 2002. The language in the FY 2003 appropriation reappropriated the expired funds to unexpired no-year funds.

(b) *Extensions that are treated as balance transfers.*

Reappropriations of amounts that would not otherwise expire until a future fiscal year (e.g., a FY 2008 reappropriation of amounts that would otherwise expire at the end of FY 2009) are treated as **balance transfers.** In addition, extensions of the availability of unobligated balances that result from standing provisions of law or provisions included in the same law that appropriated the funds are treated as balance transfers. An example of an extension included in the same law that appropriated the funds is section 511 of the Treasury and General Government Appropriations Act, 2003, which allows agencies to extend the period of availability (expired to unexpired) of unobligated balances of appropriations (annual or multi-year) provided in the same act. The Act states:

> "... not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2002 from appropriations made available for salaries and expenses for fiscal year 2002 in this Act, shall remain available through September 30, 2003, ..."

(c) *Apportionment.*

Reappropriations described in paragraph (a) are reflected on line 3A1: "Budget authority: Appropriation." Initial apportionments for FY 2009 should reflect an estimate of the amount to be reappropriated from the estimated expiring FY 2008 balances. A reapportionment may be required after the actual amount of the expiring balances is known. You may wish to reflect these amounts on line 5 "Temporarily not available pursuant to Public Law xxx–xxx" until an appropriate time after the required reprogramming notice has been transmitted to Congress.

Balance transfer amounts from expired to unexpired funds, described in paragraph (b) are reflected on line 4C: "Actual Transfers, unobligated Balance (+ or –)."

(d) *SF 133 Report on Budget Execution and Budgetary Resources*.

For the SF 133 for September 30, all expiring balances, including amounts subject to reappropriation or balance transfer in the following fiscal year, should be reflected on either line 9A1 "Unobligated balance apportioned: Balance currently available" or line 10C "Unobligated balance not available: Other," as appropriate.

SF 133s prepared for later years should treat reappropriations and balance transfers in the same manner as the apportionment in the available columns. The amounts moved from the expired columns to the available columns should show as negative amounts on line 6B (see exhibit 130G).

(Treasury Financial Manual U.S. Government Standard General Ledger Supplement, which contains crosswalks from the U.S. Standard General Ledger to the SF 133, FMS 2108, and Program and Financing Schedule is available at http://www.fms.treas.gov/ussgl).

(e) *Program and Financing schedule of the President's Budget*

When the MAX A–11 database opens, all amounts expiring on September 30 of the prior year should be reflected on schedule P line 2398 "Unobligated balance expiring or withdrawn" in the prior year column.

Amounts reappropriated (such as the example in paragraph (a)) should be reflected on line 5000 "Reappropriation" in the current year column.
Amounts treated as balance transfers between expired to unexpired funds (such as the example in paragraph (b)) should be reflected on line 2230 "Expired unobligated balance transfer to unexpired account (+)" in the 2009 column.

Extensions of the Availability of Unobligated Balances

If the authority is provided by...	Then the extension is treated as...
A standing provision of law *enacted before* the budget authority was provided.	**For unexpired funds:** *BA transfer* if the transfer occurs in the same year the resource became available for obligation; *balance transfer* for transfers of prior year resources. **For expired funds:** *Balance transfer* for transfers of prior year resources.
A provision *enacted in the same law* that provides the budget authority.	**For unexpired funds:** *BA transfer* if the transfer occurs in the same year the resource became available for obligation; *balance transfer* for transfers of prior year resources. **For expired funds:** *Balance transfer* for transfers of prior year resources.
Legislation *enacted after* the budget authority was provided.	**For unexpired funds:** *BA transfer* if the transfer occurs in the same year the resource became available for obligation; *balance transfer* for transfers of prior year resources. **For expired funds:** *Reappropriation* if the transfer occurs in the year for which the legislation is enacted; *balance transfer* for transfers in subsequent years.

121.11 What amounts should I allot?

The agency system of administrative control of funds (section 150) should be designed to keep obligations and expenditures from exceeding apportionments and allotments or from exceeding budgetary resources available for obligation, whichever is smaller. No obligations should be incurred against any anticipated budgetary resources, even if the funds are apportioned and allotted (section 145.6).

121.12 Are there conventions I must follow in using footnote indicators?

Yes, you must follow conventions in the footnote indicators you use in apportionment requests. For many years agencies used a wide range of indicators, e.g., /1, 1, \3, a, abc, and so on. Effective FY 2009, all agencies must use common but flexible standards in their footnote indicators. Each footnote will start with B (for budgetary resource) or A (for apportioned amounts). Examples of budgetary resource footnotes include the Public Laws providing budgetary resources or reductions; sources of the authority from offsetting collections; or, explanations of recoveries. Apportioned footnotes represent statutory language and \ or Administration policy directing the level of budgetary resources that agencies might use for certain purposes. For example, Section 3601 of the Elementary and Secondary Education Act authorizes that not more than one half of one percent of the funding may be used for evaluations. Other statutes provide similar directives. Nearly every apportionment request is prepared and transmitted as an MS-Excel spreadsheet. Apportionments will put previous approved, agency request, and OMB approved footnotes on separate tabs in the Excel file.

You can find and must follow the more detailed implementation guidance in OMB's secure, web-based apportionment system. Here is a link:

Apportionment system footnote guidance

Expanded Apportionment Format (SF 132), Including Credit-Only Rows

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s), if any, providing the budget authority.

Line No	Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
		Department of Government							
		Bureau: Office of the Secretary							
		Account: Salaries and Expenses (003-05-0100)							
		TAFS: 80-0100 /X							
BEA	DISC	BEA Category							
RptCat	NO	Reporting Categories							
AdjAuth	NO	Adjustment Authority provided							
G1A		Program Level, Current Year							
G1B		Program Level, Unused from prior years							
G8A1		Application, Category A, First quarter							
G8A2		Application, Category A, Second quarter							
G8A3		Application, Category A, Third quarter							
G8A4		Application, Category A, Fourth quarter							
G8B1		Loan guarantee risk category 1							
G8B2		Loan guarantee risk category 2							
G8B3		Loan guarantee risk category 3							
		BUDGETARY RESOURCES							
		Unobligated balance:							
1A		Unob Bal: Brought forward, October 1 (+ or -)							
1B		Unob Bal: Adjustment to SOY balance brought forward, October 1 (+ or -)							
		Recoveries of prior year unpaid obligations:							
2A		Recoveries of prior year unpaid obligations, Actual							
2B		Recoveries of prior year unpaid obligations, Anticipated							
		Budget authority \ Appropriation:							
3A1		BA: Appropriation, Actual							
3A2		BA: Appropriation, Anticipated							
3B		BA: Borrowing authority							
3C		BA: Contract authority							
		Budget authority \ Spending authority from offsetting collections (gross):							
		Earned:							
3D1A		BA: Offsetting Collections - Earned, Collected							
3D1B		BA: Offsetting Collections - Earned, Change in receivables from Fed sources							
		Change in unfilled customer orders (+ or -):							
3D2A		BA: Change in unfilled customer orders - Advance received							
3D2B		BA: Change in unfilled customer orders - Without advance from Fed sources							
3D3		BA: Offsetting collections - Anticipated, without advance							
3D4		BA: Offsetting Collections - Previously unavailable							
		Expenditure transfers from trust funds:							
3D5A		BA: Expenditure transfers from trust funds - Collected							
3D5B		BA: Expenditure transfers from trust funds - Change in receivables							
3D5C		BA: Expenditure transfers from trust funds - Anticipated							
		Nonexpenditure transfers, net:							
4A		Nonexpenditure transfers, net: Actual transfers, BA							
4B		Nonexpenditure transfers, net: Anticipated transfers, BA							
4C		Nonexpenditure transfers, net: Actual transfers, unob balances							
4D		Nonexpenditure transfers, net: Anticipated transfers, unob balances							
5		Temporarily not available pursuant to Public Law ___ (-)							
		Permanently not available:							
6A		Permanently not available: Cancellations of expired or no-year accounts (-)							
6B		Permanently not available: Enacted reductions (-)							
6C		Permanently not available: Capital transfer and redemption of debt (-)							
6D		Permanently not available: Other authority withdrawn (-)							
6E		Permanently not available: Pursuant to Public Law ___ (-)							
6F		Permanently not available: Anticipated for rest of year (-)							
7		**Total budgetary resources**							
		APPLICATION OF BUDGETARY RESOURCES							
		Apportioned:							
8A1		First quarter							
8A2		Second quarter							
8A3		Third quarter							
8A4		Fourth quarter							
8C		Apportioned for future fiscal years				A1		A1	
9		Budgetary Resources: Withheld pending rescission (pursuant to 2 U.S.C. 683)							
10		Budgetary Resources: Deferred							
11		Budgetary Resources: Unapportioned balance of revolving fund							
12		**Total budgetary resources**							

When using lines 5, 6B, 6C, or 6D, the line split column must identify the resource being reduced. For each of the lines below, identify at least one resource being reduced:

	5	6B	6C	6D
A (Appropriation)	√	√	√	√
B (Borrowing Authority)	√	√		√
C (Contract Authority)	√	√		√
S (Spending Authority)	√	√	√	√
U (Unobligated Balance)	√	√	√	

Submitted ________________________________ Date ______________

Approved ________________________________ Date ______________

When using line 8C, provide the future fiscal years(s) in a footnote. Display the text of any footnotes in a separate tab in your Excel file.

Condensed (Letter) Apportionment Format

FY 2009 Apportionment
Funds Provided by Public Law 1XX-123

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Identify in the header the law(s) providing the budget authority.

Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
		Agency: Department of Government							
		Bureau: Office of the Secretary							
		Account: Salaries and Expenses (003-04-1109)							
		TAFS: 80-0137 /2009							
BEA	DISC								
RptCat	NO								
AdjAuth	NO								
3A1					7,400,000	B1	7,400,000	B1	
3D3					403,000		403,000		
5	A				-1,000	B2	-1,000	B2	
7					**7,802,000**		**7,802,000**		
8A1					1,952,000		1,952,000		
8A2					1,950,000		1,950,000		
8A3					1,950,000		1,950,000		
8A4					1,950,000	A3	1,950,000	A3	
12					**7,802,000**		**7,802,000**		
		TAFS: 80-1309 /X							
BEA	DISC								11/30/2008
RptCat	NO								
AdjAuth	NO								
1A	E		1,180,000		1,610,000		1,610,000		
2A					27,000		27,000		
2B			150,000		123,000		123,000		
3A1			25,000,000		25,000,000	B1	25,000,000	B1	
3D1a					86,000		86,000		
3D2a					9,000		9,000		
3D3	1	Department of Government	300,000		205,000		205,000		
3D3	2	All Other Sources	100,000		100,000		100,000		
6B	A				-200,000		-200,000		
7			**26,730,000**		**26,960,000**		**26,960,000**		
8A1		Administrative expenses	120,000		120,000		120,000		36,000
8A2			120,000		120,000		120,000		
8A3			120,000		120,000		120,000		
8A4			120,000		120,000		120,000		
8B1		Research	16,800,000		12,880,000		12,880,000		2,354,700
8B2		Dev. of products	9,450,000		9,600,000		9,600,000		1,348,250
8C		2,010			4,000,000	A2	4,000,000	A2	
12			**26,730,000**		**26,960,000**		**26,960,000**		

Compare with Exhibit 121D. Note that all information is presented.

When you validate a file like this in the web apportionment system, the system will fill in line titles for those lines with standard titles, i.e., all the lines shown as blank here. Lines like 8B1 require you to type in titles.

Compare with Exhibit 121G. Note that all information is presented.

Submitted ____________________ Date __________

Approved ____________________ Date __________

Display the text of any footnotes in a separate tab in your Excel file.

PROGRAM REPORTING CATEGORIES FORMAT

Program Reporting Categories

Treasury Agency	FY 1	FY 2	Treasury Account	SF 132 Line	Report Cat No	Program Reporting Category	Projected, Annual Obligations
80		X	1309	8A	1	Salaries	400,000
80		X	1309	8A	2	All Other	80,000
						Cat A, Sub-total	480,000
80		X	1309	8B1	3	Research -- Air	8,880,000
80		X	1309	8B1	4	Research -- Water	4,000,000
80		X	1309	8B1	5	Research -- All Other	N/A
						Research, Sub-total	12,880,000
80		X	1309	8B2	6	Development -- Air	5,600,000
80		X	1309	8B2	7	Development -- Water	4,000,000
80		X	1309	8B2	8	Development -- All Other	N/A
						Development, Sub-total	9,600,000

Note: Program reporting categories are not used to apportion funds, and are not subject to 31 USC 1517.

When the Report Cat No has a number between 1 - 100, the stub will be sent to the FACTS II system for use in budget execution reporting.

You may also include additional rows where the Report Cat No is blank. In this example, these rows serve as sub-totals.

Note how the program reporting categories relate to apportioned amounts in Exhibit 121G's Office of the Secretary apportionment.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Expanded Apportionment Format (SF 132)

Identify in the header the law(s) providing the budget authority.

FY 2009 Apportionment
Funds provided by Public Law 110-999

Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
		Department of Government							
		Bureau: Office of the Secretary							
		Account: Salaries and Expenses (003-04-1109)							
		TAFS: 80-0137 /2009							
BEA	DISC	BEA Category							
RptCat	NO	Reporting Categories							
AdjAuth	NO	Adjustment Authority provided							
		BUDGETARY RESOURCES							
		Unobligated balance:							
1A		Unob Bal: Brought forward, October 1 (+ or -)							
1B		Unob Bal: Adjustment to SOY balance brought forward, October 1 (+ or -)							
		Recoveries of prior year unpaid obligations:							
2A		Recoveries of prior year unpaid obligations, Actual							
2B		Recoveries of prior year unpaid obligations, Anticipated							
		Budget authority \ Appropriation:							
3A1		BA: Appropriation, Actual			7,400,000		7,400,000		
3A2		BA: Appropriation, Anticipated							
3B		BA: Borrowing authority							
3C		BA: Contract authority							
		Budget authority \ Spending authority from offsetting collections (gross):							
		Earned:							
3D1A		BA: Offsetting Collections - Earned, Collected							
3D1B		BA: Offsetting Collections - Earned, Change in receivables from Fed sources							
		Change in unfilled customer orders (+ or -):							
3D2A		BA: Change in unfilled customer orders - Advance received							
3D2B		BA: Change in unfilled customer orders - Without advance from Fed sources							
3D3		BA: Offsetting collections - Anticipated, without advance			403,000		403,000		
3D4		BA: Offsetting Collections - Previously unavailable							
		Expenditure transfers from trust funds:							
3D5A		BA: Expenditure transfers from trust funds - Collected							
3D5B		BA: Expenditure transfers from trust funds - Change in receivables							
3D5C		BA: Expenditure transfers from trust funds - Anticipated							
		Nonexpenditure transfers, net:							
4A		Nonexpenditure transfers, net: Actual transfers, BA							
4B		Nonexpenditure transfers, net: Anticipated transfers, BA							
4C		Nonexpenditure transfers, net: Actual transfers, unob balances							
4D		Nonexpenditure transfers, net: Anticipated transfers, unob balances							
5	A	Temporarily not available pursuant to Public Law ___ (-)			-1,000		-1,000		
		Permanently not available:							
6A		Permanently not available: Cancellations of expired or no-year accounts (-)							
6B		Permanently not available: Enacted reductions (-)							
6C		Permanently not available: Capital transfer and redemption of debt (-)							
6D		Permanently not available: Other authority withdrawn (-)							
6E		Permanently not available: Pursuant to Public Law ___ (-)							
6F		Permanently not available: Anticipated for rest of year (-)							
7		**Total budgetary resources**	**0**		**7,802,000**		**7,802,000**		
		APPLICATION OF BUDGETARY RESOURCES							
		Apportioned:							
8A1		First quarter			1,952,000		1,952,000		
8A2		Second quarter			1,950,000		1,950,000		
8A3		Third quarter			1,950,000		1,950,000		
8A4		Fourth quarter			1,950,000		1,950,000		
8B1		Prairie Restoration Fund				A1		A1	
8C		Apportioned for future fiscal years							
9		Budgetary Resources: Withheld pending rescission (pursuant to 2 U.S.C. 683)							
10		Budgetary Resources: Deferred							
11		Budgetary Resources: Unapportioned balance of revolving fund							
12		**Total budgetary resources**	**0**		**7,802,000**		**7,802,000**		

Submitted ______________________________ Date ________________

Approved ______________________________ Date ________________

Display the text of any footnotes in a separate tab in your Excel file.

One-Year Appropriation—Initial Apportionment

FY 2008 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s), if any, providing the budget authority.

Several exhibits in this section are in the condensed format - they do not display lines that do not contain amounts.
Exhibit 121A contains all lines.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: Salaries and Expenses (003-04-1109)** **TAFS: 80-0137 /2008**							
		2008	0137	BEA	DISC	BEA Category							
		2008	0137	RptCat	NO	Reporting Categories							
		2008	0137	AdjAuth	NO	Adjustment Authority provided							
		2008	0137	1A		Unob Bal: Brought forward, October 1 (+ or -)							
		2008	0137	2B		Recoveries of prior year unpaid obligations, Anticipated							
		2008	0137	3A1		BA: Appropriation, Actual			7,400,000	B1	7,400,000	B1	
		2008	0137	3D3		BA: Offsetting collections - Anticipated, without advance			403,000		403,000		
80		2008	0137	4D		Nonexpenditure transfers, net: Anticipated transfers, unob balances							
80		2008	0137	5	A	Temporarily not available pursuant to Public Law ___ (-)			-1,000	B2	-1,000	B2	
80		**2008**	**0137**	**7**		**Total budgetary resources**	**0**		**7,802,000**		**7,802,000**		
80		2008	0137	8A1		First quarter			1,952,000		1,952,000		
80		2008	0137	8A2		Second quarter			1,950,000		1,950,000		
80		2008	0137	8A3		Third quarter			1,950,000		1,950,000		
80		2008	0137	8A4		Fourth quarter			1,950,000	A3	1,950,000	A3	
80		**2008**	**0137**	**12**		**Total budgetary resources**	**0**		**7,802,000**		**7,802,000**		

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

The apportionment system generates this data when you validate a file. This information must match the TAFS listed in columns A - F on each row.

The TAFS must be assigned by the Treasury.

Line 1A should be blank unless the account is a no-year or a multiple-year account.

On initial apportionment forms, this line entry represents the amount of appropriations becoming available on or after October 1 of the fiscal year for which the schedule is submitted.

Include an estimate of all amounts you anticipate will become available, under existing law in the fiscal year for which the schedule is submitted. Do not include anticipated, unenacted supplemental appropriations and rescission proposals.

This inclusion of estimates in determining the amounts available for apportionment does not authorize you to obligate amounts anticipated for the rest of the year (see section 145.6).

This entry includes any funds not available for obligation pursuant to a specific provision in law. Identify the public law containing the restriction in a footnote. 31 U.S.C 1512 and the Impoundment Control Act are not valid authorizing citations.

Leave the 'Previous Approved' column blank on initial apportionments.

Display the text of any footnotes in a separate tab in your Excel file.

The total amount on line 7 must equal the total amount on line 12.

Submitted ___________________________ Date _______________

Approved ___________________________ Date _______________

Apportionment requests are required by August 21 or within 10 days after the approval of the act providing budget authority, whichever is later, except where authority is provided without current action by the Congress. In such cases, submit initial apportionment requests by August 21.

NOTE: Exhibit 130A illustrates the SF 133 for this account.

No-Year Appropriation—Initial Apportionment

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s), if any, providing the budget authority.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-1309 /X**							
80		X	1309	BEA	DISC	BEA Category							
80		X	1309	RptCat	NO	Reporting Categories							
80		X	1309	AdjAuth	NO	Adjustment Authority provided							
80		X	1309	1A	E	Unob Bal: Brought forward, October 1 (+ or -)			1,180,000		1,180,000		
80		X	1309	2B		Recoveries of prior year unpaid obligations, Anticipated			150,000		150,000		
80		X	1309	3A1		BA: Appropriation, Actual			25,000,000	B1	25,000,000	B1	
80		X	1309	3D3	1	BA: Offsetting collections - Anticipated, without advance			300,000		300,000		
80		X	1309	3D3	2	BA: Offsetting collections - Anticipated, without advance			100,000		100,000		
80		**X**	**1309**	**7**		**Total budgetary resources**	**0**		**26,730,000**		**26,730,000**		
80		X	1309	8A1		First quarter			120,000		120,000		
80		X	1309	8A2		Second quarter			120,000		120,000		
80		X	1309	8A3		Third quarter			120,000		120,000		
80		X	1309	8A4		Fourth quarter			120,000		120,000		
80		X	1309	8B1		Research			12,800,000		12,800,000		
80		X	1309	8B2		Development of Products			9,450,000		9,450,000		
80		X	1309	8C		FY2010			4,000,000	A2	4,000,000	A2	
80		**X**	**1309**	**12**		**Total budgetary resources**	**0**		**26,730,000**		**26,730,000**		

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

If the account must be apportioned before the actual unobligated balance is known, enter an estimated amount on this line. Type 'E' in the line split column. If adjustments are subsequently required, submit a reapportionment, except as provided in section 120.38.

Include only amounts expected to be received and to become available without further congressional action.

Use this line to report expected cancellations or downward adjustments of obligations reported in prior years for unexpired accounts.

No-year and multi-year TAFS can have apportioned amounts in future fiscal years. When using line 8C, provide the future fiscal years.

Leave the 'Previous Approved' column blank on initial apportionments.

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ______________________________ Date ______________

Approved ______________________________ Date ______________

Normally, initial apportionment requests are required by August 21 when all or part of funds are available without current action by the Congress.

No-Year Appropriation—Reapportionment

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s), if any, providing the budget authority.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-1309 /X**							
80		X	1309	BEA	DISC	BEA Category							11/30/2008
80		X	1309	RptCat	NO	Reporting Categories							
80		X	1309	AdjAuth	NO	Adjustment Authority provided							
80		X	1309	1A	E	Unob Bal: Brought forward, October 1 (+ or -)	1,298,000		1,610,000		1,610,000		
80		X	1309	2A		Recoveries of prior year unpaid obligations, Actual			27,000		27,000		
80		X	1309	2B		Recoveries of prior year unpaid obligations, Anticipated	150,000		123,000		123,000		
80		X	1309	3A1		BA: Appropriation, Actual	25,000,000		25,000,000	B1	25,000,000	B1	
80		X	1309	3D1A		BA: Offsetting Collections - Earned, Collected			86,000		86,000		
80		X	1309	3D2A		BA: Offsetting Collections - Earned, Change in receivables from Fed sources			9,000		9,000		
80		X	1309	3D3	1	BA: Offsetting collections - Anticipated, without advance (Department of Government)	300,000		205,000		205,000		
80		X	1309	3D3	2	BA: Offsetting collections - Anticipated, without advance All other sources	100,000		100,000		100,000		
80		X	1309	6B	A	Permanently not available: Enacted reductions (-)			-200,000		-200,000		
80		**X**	**1309**	**7**		**Total budgetary resources**	**26,848,000**		**26,960,000**		**26,960,000**		
80		X	1309	8A1		First quarter	120,000		120,000		120,000		36,000
80		X	1309	8A2		Second quarter	120,000		120,000		120,000		
80		X	1309	8A3		Third quarter	120,000		120,000		120,000		
80		X	1309	8A4		Fourth quarter	120,000		120,000		120,000		
80		X	1309	8B1		Research	16,800,000		12,880,000		12,880,000		2,354,700
80		X	1309	8B2		Development of Products	9,568,000		9,600,000		9,600,000		1,348,250
80		X	1309	8C		FY2010			4,000,000	A2	4,000,000	A2	
80		**X**	**1309**	**12**		**Total budgetary resources**	**26,848,000**		**26,960,000**		**26,960,000**		

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

You must request a reapportionment whenever the actual balance brought forward differs from the estimate on the latest SF 132 by $400,000 or two percent of total budgetary resources, whichever is lower. Change the line split from E to A whenever you reapportion after the final determination of unobligated balance.

On reapportionment forms, this entry will include enacted appropriations, amounts certified by Treasury warrant of indefinite appropriations, any enacted supplemental appropriation, and any appropriated receipts in special and trust funds.

NOTE: Exhibit 130C illustrates the SF 133 for this account.

Display the text of any footnotes in a separate tab in your Excel file, e.g., 'Line 1A includes $118,000 in unobligated balances that were automatically apportioned'.

Submitted ______________________________ Date _______________

Approved ______________________________ Date _______________

Unless OMB determines otherwise, when amounts are automatically apportioned (see section 120.38), and there is a subsequent need for reapportionment, reflect adjustments previously made as automatic apportionments in the "Previous Approved" column. In such cases, footnote what changes were automatically apportioned.

Normally, OMB will issue a bulletin to automatically apportion funds made available by a continuing resolution without requiring you to submit an apportionment request (see section 123.2). However, you may submit, or OMB may require you to submit a request.

One-Year Appropriations Under Continuing Resolution

FY 2008 Apportionment
Funds provided by Public Law 110-999

Include reference to law(s) that provide budget authority in the header. If a continuing resolution (CR) is **amended** multiple times, always reference the first CR (not the subsequent amendments). However, if another CR is passed, cite the new CR as well as the first CR.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

The apportionment system generates this data when you validate a file. This information must match the TAFS listed in columns A - F on each row.

Show the actual amount or the **annual** rate of operations included in the continuing resolution (CR) on line 3A1. Even if the CR is for part of a fiscal year, you still show the annual amount of the CR on line 3A1 (not the proportional share provided during the time period of the CR).

Reflect the amount shown on the latest SF133 on lines 3D if more recent figures are not available.

If the continuing resolution is for a part of the year, show the amount of BA that is currently not provided under the given time period of the CR as a negative on line 5. (See section 123.2 for guidance.)

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: Salaries and Expenses (003-04-1109)** **TAFS: 80-0137 /2008**							
80		2008	0137	BEA	DISC	BEA Category							11/30/2008
80		2008	0137	RptCat	NO	Reporting Categories							
80		2008	0137	AdjAuth	NO	Adjustment Authority provided							
80		2008	0137	3A1		BA: Appropriation, Actual			24,000,000	B1	24,000,000	B1	
80		2008	0137	3D1A		BA: Offsetting Collections - Earned, Collected			1,500		1,500		
80		2008	0137	3D3		BA: Offsetting collections - Anticipated, without advance			1,348,260		1,348,260		
80		2008	0137	5	A	Temporarily not available pursuant to Public Law ___ (-)			-22,030,000	B2	-22,030,000	B2	
80		**2008**	**0137**	**7**		**Total budgetary resources**	**0**		**3,319,760**		**3,319,760**		
80		2008	0137	8A1		First quarter			3,019,760		3,019,760		2,065,718
80		2008	0137	8A2		Second quarter			0		0		
80		2008	0137	8A3		Third quarter			0		0		
80		2008	0137	8A4		Fourth quarter			0		0		
80		2008	0137	8B1		State Grants			300,000	A3	300,000	A3	40,014
80		**2008**	**0137**	**12**		**Total budgetary resources**	**0**		**3,319,760**		**3,319,760**		

Note that funds made available by the continuing resolution ($24,000,000 - $22,030,000) are all apportioned in the first quarter because in this example the continuing resolution expires during the first quarter at the end of 30 days. You may request apportionment of funds made available by other laws (for example, collections from the public or from trust funds) for time periods during which they are available, including the period after the expiration of the continuing resolution.

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ___________________________________ Date _________________

Approved ___________________________________ Date _________________

Appropriations and Unobligated Balances Under a Continuing Resolution

Normally, OMB will issue a bulletin to automatically apportion funds made available by a continuing resolution without requiring you to submit an apportionment request (see section 123.2). However, you may submit, or OMB may require you to submit a request. Note also that the OMB bulletin will provide guidance on whether or not you must reapportion your unobligated balances (but only if they are different from the initial apportionment estimates).

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s), if any, providing the budget authority.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Amounts in the first column are from the initial apportionment.

You must request a reapportionment whenever the actual balance brought forward differs from the estimate on the latest SF 132 by $400,000 or two percent of total budgetary resources, whichever is lower. Change the line split from E to A whenever you reapportion after the final determination of unobligated balance.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-1200 /X**							
80		X	1200	BEA	DISC	BEA Category							
			1200	RptCat	NO	Reporting Categories							
			1200	AdjAuth	NO	Adjustment Authority provided							
			1200	1A	A	Unob Bal: Brought forward, October 1 (+ or -)	50,689,324		47,604,238		47,604,238		
			1200	3A1		BA: Appropriation, Actual			24,000,000		24,000,000		
			1200	3D1A		BA: Offsetting Collections - Earned, Collected			1,500		1,500		
			1200	3D3	1	BA: Offsetting collections - Anticipated, without advance	1,000,760		1,000,260		1,000,260		
			1200	3D3	2	BA: Offsetting collections - Anticipated, without advance	349,000		348,000		348,000		
			1200	5	A	Temporarily not available pursuant to Public Law ___ (-)			-22,030,000		-22,030,000		
			1200	**7**		**Total budgetary resources**	**52,039,084**		**50,923,998**		**50,923,998**		
			1200	8A1		First quarter	2,425,021		2,425,021		2,425,021		
			1200	8A2		Second quarter	33,513,794		14,986,773		14,986,773		
			1200	8A3		Third quarter	8,390,574		14,986,773		14,986,773		
			1200	8A4		Fourth quarter	4,171,037		14,986,773		14,986,773		
			1200	8B1		Research	1,665,251		1,665,251		1,665,251		1,425,555
			1200	8B2		Development of Products	1,873,407		1,873,407	A1	1,873,407	A1	
			1200	**12**		**Total budgetary resources**	**52,039,084**		**50,923,998**		**50,923,998**		

Change the line split from E to A when the final determination of unobligated balances is reported. If the amount on this line does not agree with the amounts: (a) reported on the final SF 133 of the preceding year; (b) reported to the Treasury for inclusion in the *Treasury Combined Statement Appendix*; or (c) presented in the *Budget Appendix* as a past year actual amount, footnote line 1A to explain the difference.

Justify category A apportionments in varying amounts and changes from the previous apportionment in a separate tab in your Excel file or in an attachment.

Show the actual amount or the **annual** rate of operations included in the continuing resolution (CR) on line 3A1. Even if the CR is for part of a fiscal year, you still show the annual amount of the CR on line 3A1 (not the proportional share as provided during the time period of the CR).

If the continuing resolution is for a part of the year, show the amount of BA that is currently not provided under the given time period of the CR as a negative on line 5 and cite the CR public law number. (See section 123.2 for guidance.)

Lines 3D, as well as the memorandum entry on obligations, should reflect the amount shown on the latest SF133 if more recent figures are not available. The period covered by such amounts should be indicated in a footnote and the "Memo Obligations" column.

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ___________________________________ Date _________________

Approved ___________________________________ Date _________________

You must submit a reapportionment request showing the final determination of unobligated balances to OMB as soon as it becomes known unless the amount is automatically apportioned by section 120.38.

Reapportionment Following a Continuing Resolution

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s) providing the budget authority. Note: you can choose to reference the CR PL number or both the CR and any appropriation laws.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Change the line split from E to A whenever you reapportion after the final determination of unobligated balance.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-1200 /X**							
80		X	1200	BEA	DISC	BEA Category							11/10/2008
80		X	1200	RptCat	NO	Reporting Categories							
			1200	AdjAuth	NO	Adjustment Authority provided							
			1200	1A	A	Unob Bal: Brought forward, October 1 (+ or -)	47,604,238		47,604,238		47,604,238		
			1200	3A1		BA: Appropriation, Actual	24,000,000		25,000,000		25,000,000		
			1200	3D1A		BA: Offsetting Collections - Earned, Collected	1,500		2,000		2,000		
			1200	3D3	1	BA: Offsetting collections - Anticipated, without advance	1,000,260		1,000,260		1,000,260		
			1200	3D3	2	BA: Offsetting collections - Anticipated, without advance	348,000		178,000		178,000		
			1200	5	A	Temporarily not available pursuant to Public Law ___ (-)	-22,030,000						
			1200	**7**		**Total budgetary resources**	**50,923,998**		**73,784,498**		**73,784,498**		
80		X	1200	8A1		First quarter	25,000,000		25,000,000		25,000,000		
80		X	1200	8A2		Second quarter	5,590,340		7,022,920		7,022,920		
80		X	1200	8A3		Third quarter	5,055,000		16,011,460		16,011,460		
80		X	1200	8A4		Fourth quarter	10,000,000		16,011,460		16,011,460		
80		X	1200	8B1		Research	3,405,251		7,865,251		7,865,251		
80		X	1200	8B2		Development of Products	1,873,407		1,873,407	A1	1,873,407	A	
80		**X**	**1200**	**12**		**Total budgetary resources**	**50,923,998**		**73,784,498**		**73,784,498**		

Note: Since the appropriation act provided funds for the full year, all of the funds that were previously "Temporarily not available pursuant to PL" as a result of the CR are now available and therefore not deducted from line 5.

In this example, the CR covered a period of 30 days. The amounts provided during the period of the CR (first quarter) should not be adjusted downward past enactment of the appropriation. (This is to ensure that if there are any upward adjustments of the obligations that were validly incurred during the time period of the CR that a reapportionment of a lesser amount does not result in the appearance of a violation of the Antideficiency Act.) However, the other budgetary resources (e.g., carryover, collections) may be redistributed so as not to result in an Antideficiency Act violation. Consult your OMB representative accordingly.

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ______________________________ Date ______________

Approved ______________________________ Date ______________

Public Enterprise (Revolving) or Intragovernmental (Revolving) Fund—Reapportionment

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s) providing the budget authority.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-4321 /X**							
80		X	4321	BEA	DISC	BEA Category							12/31/2008
			4321	RptCat	NO	Reporting Categories							
			4321	AdjAuth	NO	Adjustment Authority provided							
			4321	1A	A	Unob Bal: Brought forward, October 1 (+ or -)	83,584,884		83,583,738		83,583,738		
			4321	3A1		BA: Appropriation, Actual	4,100,000		4,100,000		4,100,000		
			4321	3B		BA: Borrowing authority							
			4321	3D1A	1	BA: Offsetting Collections - Earned, Collected - User charges			8,000,000		8,000,000		
			4321	3D1A	2	BA: Offsetting Collections - Earned, Collected - Insurance Premiums			8,189,500		8,189,500		
			4321	3D3		BA: Change in unfilled customer orders - Anticipated for rest of year, without advance	69,806,300		54,616,800		54,616,800		
			4321	6C		Permanently not available: Capital transfer and redemption of debt (-)	-20,756,800		-20,756,800		-20,756,800		
			4321	**7**		**Total budgetary resources**	**136,734,384**		**137,733,238**		**137,733,238**		
			4321	8A1		First quarter	550,000		550,000		550,000		1,965,425
			4321	8A2		Second quarter	650,000		650,000		650,000		
			4321	8A3		Third quarter	625,000		625,000		625,000		
			4321	8A4		Fourth quarter	609,600		609,600		609,600		
			4321	8B1		Management services	23,202,000		23,202,000		23,202,000		6,190,625
			4321	8B2		Sales program	11,834,000		11,834,000		11,834,000		2,012,790
			4321	8B3		Power program	20,980,600		20,980,600		20,980,600		5,125,630
			4321	11		Budgetary Resources: Unapportioned balance of revolving fund	78,283,184		79,282,038	A1	79,282,038	A1	
80		**X**	**4321**	**12**		**Total budgetary resources**	**136,734,384**		**137,733,238**		**137,733,238**		

Change the line split from E to A whenever you reapportion after the final determination of unobligated balance.

These entries represent new budget authority becoming available during the year.

For revolving funds with indefinite borrowing authority :

- Line 3B includes only the amount of new borrowing authority anticipated to be used during the year, that is, the total amount of indefinite authority anticipated to be used to cover obligations during the year.
- Line 3D3 includes any credits or payments anticipated to be received.
- Line 6C includes estimates for the year of repayments of principal.

Note: If you don't know the amount of the unobligated balance brought forward at the time you must submit an apportionment request for an account, show an estimated amount on this line, and submit a reapportionment form if adjustments are required, except as specified in section 120.36

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ______________________ Date ____________

Approved ______________________ Date ____________

NOTE: Exhibit 130E illustrates the SF 133 for this account

Trust Fund Limitation

FY 2008 Apportionment
Funds provided by Public Law N/A

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-8109)** **TAFS: 80-8004 /2008**							
80		2008	8004	BEA	DISC	BEA Category							12/31/2008
80		2008	8004	RptCat	NO	Reporting Categories							
80		2008	8004	AdjAuth	NO	Adjustment Authority provided							
80		2008	8004	3D5A		BA: Expenditure transfers from trust funds - Collected	9,000,000		9,000,000	B1	9,000,000	B1	
80		**2008**	**8004**	**7**		**Total budgetary resources**	**9,000,000**		**9,000,000**		**9,000,000**		
80		2008	8004	8B1		Management services	1,500,000		1,500,000		1,500,000		500,000
80		2008	8004	8B2		Sales program	7,500,000		7,500,000		7,500,000		2,003,456
80		**2008**	**8004**	**12**		**Total budgetary resources**	**9,000,000**		**9,000,000**		**9,000,000**		

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Include reference to law(s) that establish the limitation authority in a footnote . Display the text of any footnotes in a separate tab in your Excel file.

Submitted ________________________ Date ______________

Approved ________________________ Date ______________

Negative Amount Due to Reduced Unobligated Balance

FY 2009 Apportionment
Funds provided by Public Law N/A

Identify in the header the law(s) providing the budget authority.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Note: A reduction in unobligated balances does not need to be reapportioned unless specifically required by OMB.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-4321 /X**							
80	X		4321	BEA	DISC	BEA Category							11/30/2008
80	X		4321	RptCat	NO	Reporting Categories							
80	X		4321	AdjAuth	NO	Adjustment Authority provided							
80	X		4321	1A		Unob Bal: Brought forward, October 1 (+ or -)	1,180,000		410,000		410,000		
80	X		4321	2A		Recoveries of prior year unpaid obligations, Actual			27,000		27,000		
80	X		4321	2B		Recoveries of prior year unpaid obligations, Anticipated	150000		123,000		123,000		
80	X		4321	3D1A		BA: Offsetting Collections - Earned, Collected			86,000		86,000		
80	X		4321	3D2B		BA: Change in unfilled customer orders - Without advance from Fed sources			9,000		9,000		
80	X		4321	3D3		BA: Expenditure transfers from trust funds - Collected	400,000		145,000	B1	145,000	B1	
80	**X**		**4321**	**7**		**Total budgetary resources**	**1,730,000**		**800,000**		**800,000**		
80	X		4321	8A1		First quarter	432,500		432,500		432,500		250,000
80	X		4321	8A2		Second quarter	432,500		-32,500		-32,500		
80	X		4321	8A3		Third quarter	432,500		200,000		200,000		
80	X		4321	8A4		Fourth quarter	432,500		200,000		200,000		
80	**X**		**4321**	**12**		**Total budgetary resources**	**1,730,000**		**800,000**		**800,000**		

Submitted ____________________________________ Date 1/30/2008

Approved ____________________________________ Date _________________

Apportionments previously established are not subject to change after the close of the period for which the apportionment is made (section 120.12).

When you need to reduce the cumulative amount apportioned through the current period, revise the amount apportioned for the current period to a negative amount.

Assuming that 1st quarter obligations were $250,000 in this example, then the 2nd quarter apportioned amount would be $150,000 (432,500 apportioned less 250,000 obligated plus -32,500 apportioned).

Multiple-Year Account—Apportionment in Two Fiscal Years

Note that this exhibit displays apportionment requests for two different years on the same page only to facilitate the presentation. See section 120.9.

FY 2008 Apportionment
Funds provided by Public Law 110-999

Identify in the header the law(s) providing the budget authority.

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Agency Request (2008)	Agency Request (2009)
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-4321 2007/2008**		
80	2007	2008	4321	BEA	DISC	BEA Category		
80	2007	2008	4321	RptCat	NO	Reporting Categories		
80	2007	2008	4321	AdjAuth	NO	Adjustment Authority provided		
80	2007	2008	4321	1A		Unob Bal: Brought forward, October 1 (+ or -)		52,000
80	2007	2008	4321	3A1		BA: Appropriation, Actual	100,000	
80	**2007**	**2008**	**4321**	**7**		**Total budgetary resources**	**100,000**	**52,000**
80	2007	2008	4321	8A1		First quarter	12,500	13,000
80	2007	2008	4321	8A2		Second quarter	12,500	13,000
80	2007	2008	4321	8A3		Third quarter	12,500	13,000
80	2007	2008	4321	8A3		Fourth quarter	12,500	13,000
80	2007	2008	4321	8C		Apportioned for future fiscal years	50,000	
80	**2007**	**2008**	**4321**	**12**		**Total budgetary resources**	**100,000**	**52,000**

Includes the full amount appropriated.

Includes the $50,000 planned to be obligated in year 2 plus $2,000 not obligated in year 1.

The planned use of appropriations in year 1.

The planned use of appropriations in year 2.

Submitted ___________________________________ Date _________________

Approved ___________________________________ Date _________________

Trust Fund with Contract Authority, Appropriation to Liquidate Contract Authority, and Obligation Limitation

FY 2009 Apportionment
Funds provided by Public Laws 108-999, 110-999

Identify in the header the law(s) providing the budget and contract authority.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-8109)** **TAFS: 80-8004 /X**							
80	X		8004	BEA	DISC	BEA Category							
80	X		8004	RptCat	NO	Reporting Categories							
80	X		8004	AdjAuth	NO	Adjustment Authority provided							
80	X		8004	3A1		BA: Appropriation, Actual			90,000		90,000		
80	X		8004	3C		BA: Contract authority	100,000		100,000		100,000		
80	X		8004	5	C	Temporarily not available pursuant to Public Law ___ (-)			-10,000		-10,000		
80	X		8004	6E	A	Permanently not available: Pursuant to Public Law ___ (-)			-90,000		-90,000		
80	**X**		**8004**	**7**		**Total budgetary resources**	**100,000**		**90,000**		**90,000**		
80	X		8004	8A1		First quarter	25,000		25,000		25,000		
80	X		8004	8A2		Second quarter	25,000		20,000		20,000		
80	X		8004	8A3		Third quarter	25,000		25,000		25,000		
80	X		8004	8A4		Fourth quarter	25,000		20,000	A1	20,000		
80	**X**		**8004**	**12**		**Total budgetary resources**	**100,000**		**90,000**		**90,000**		

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

This example assumes that the authorizing legislation provides $100,000 in contract authority that was apportioned in the initial apportionment for the year.

Subsequently, the appropriation act provided $90,000 in an appropriation to liquidate contract authority and limited obligations from the contract authority to $90,000.

The appropriation to liquidate contract authority is included on line 3A1 and is subtracted on line 6E because it cannot be used to make new obligations.

This example assumes that the contract authority that cannot be obligated is available to be obligated in the succeeding fiscal year. This is an obligation limitation.

(If the contract authority that is being limited is only available for a single year, the amount not being used would be included on line 6D).

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ____________________________________ Date _________________

Approved ____________________________________ Date _________________

Trust Fund (or Special Fund) with Collections Precluded from Obligation

FY 2009 Apportionment
Funds provided by Public Law 108-999

Identify in the header the law(s) providing the budget authority.

Treasury Agency	FY1	FY2	Treasury Account	Line No	Line Split	`	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
						Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-8109)** **TAFS: 80-8004 /X**							
80	X		8004	BEA	DISC	BEA Category							
80	X		8004	RptCat	NO	Reporting Categories							
80	X		8004	AdjAuth	NO	Adjustment Authority provided							
80	X		8004	3A1		BA: Appropriation, Actual			30,000		30,000		
80	X		8004	3A2		BA: Appropriation, Anticipated			160,000		160,000		
80	X		8004	5	C	Temporarily not available pursuant to Public Law ___ (-)			-70,000		-70,000		
80	**X**		**8004**	**7**		**Total budgetary resources**	**0**		**120,000**		**120,000**		
80	X		8004	8B1		Payment of Benefits			120,000	A1	120,000	A1	
80	**X**		**8004**	**12**		**Total budgetary resources**	**0**		**120,000**		**120,000**		

The system hides columns A - F when you validate a file, but each row contains the proper TAFS. If you add rows or change the TAFS, you must update these columns.

This example assumes that the authorizing legislation makes all receipts available until expended. However, the same law permits obligations only for benefits. The estimate of benefits to be paid is less than the current receipts.

In this case, include all estimated current receipts on line 3A2 (include actual collections on line 3A1). Include, as a negative, the amount not needed to cover current obligations on line 5. Do not include prior year collections that are not needed to incur current obligations on the SF 132 or the SF 133.

In this example, the amount on line 3A1 equals one-quarter of the estimated annual obligations. This amount is derived from prior year collections and is used to fund obligations and outlays until current year collections are received.

The amount on line 5 equals the excess of current year receipts over the anticipated obligations ($40 thousand) plus the amount on line 3A1 ($30 thousand).

See exhibit 130L for a display of the treatment of this account on the SF 133 during the year and on September 30.

Display the text of any footnotes in a separate tab in your Excel file.

Submitted ___________________________________ Date _________________

Approved ___________________________________ Date _________________

Allocation Transfer Apportionment Format, Parent and Child

FY 2009 Apportionment
Funds provided by Public Law 110-999

Identify the law(s) providing the budget authority.

Specify the TAFS in columns A-F on each row, beginning with the BEA and ending with line 12. You may hide these columns for printing purposes.

Note: In order for the transfers to crosswalk correctly in the SF 133 and President's Budget, please ensure that both the parent and child use the appropriate USSGL for allocation transfers (http://www.fms.treas.gov/USSGL/).

Treasury Agency	FY1	FY2	Treasury Account	Alloc Account	Alloc Sub-Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Approved Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
								Agency: Department of Government **Bureau: Office of the Secretary** **Account: R & D (003-04-1109)** **TAFS: 80-1309 /X**							
80		X	1309			BEA	DISC	BEA Category							
80		X	1309			RptCat	NO	Reporting Categories							
80		X	1309			AdjAuth	NO	Adjustment Authority provided							
80		X	1309					**BUDGETARY RESOURCES**							
80		X	1309					**Unobligated balance:**							
80		X	1309			1A		Unob Bal: Brought forward, October 1 (+ or -)							
80		X	1309			1B		Unob Bal: Adjustment to SOY balance brought forward, October 1 (+ or -)							
80		X	1309					**Recoveries of prior year unpaid obligations:**							
80		X	1309			2A		Recoveries of prior year unpaid obligations, Actual							
80		X	1309			2B		Recoveries of prior year unpaid obligations, Anticipated							
80		X	1309					**Budget authority \ Appropriation:**							
80		X	1309			3A1		BA: Appropriation, Actual			10,000,000		10,000,000		
80		X	1309			3A2		BA: Appropriation, Anticipated							
80		X	1309			3B		BA: Borrowing authority							
80		X	1309			3C		BA: Contract authority							
80		X	1309					**Budget authority \ Spending authority from offsetting collections (gross):**							
80		X	1309					**Earned:**							
80		X	1309			3D1A		BA: Offsetting Collections - Earned, Collected							
80		X	1309			3D1B		BA: Offsetting Collections - Earned, Change in receivables from Fed sources							
80		X	1309					**Change in unfilled customer orders (+ or -):**							
80		X	1309			3D2A		BA: Change in unfilled customer orders - Advance received							
80		X	1309			3D2B		BA: Change in unfilled customer orders - Without advance from Fed sources							
80		X	1309			3D3		BA: Offsetting collections - Anticipated, without advance							
80		X	1309			3D4		BA: Offsetting Collections - Previously unavailable							
80		X	1309					**Expenditure transfers from trust funds:**							
80		X	1309			3D5A		BA: Expenditure transfers from trust funds - Collected							
80		X	1309			3D5B		BA: Expenditure transfers from trust funds - Change in receivables							
80		X	1309			3D5C		BA: Expenditure transfers from trust funds - Anticipated							
80		X	1309					**Nonexpenditure transfers, net:**							
80		X	1309			4A		Nonexpenditure transfers, net: Actual transfers, BA			3,000,000		3,000,000		
80		X	1309			4A	1	Agency one (19-80X1309)			-1,000,000		-1,000,000		
80		X	1309			4A	2	Agency two (12-80X1309)			-2,000,000		-2,000,000		
80		X	1309			4B		Nonexpenditure transfers, net: Anticipated transfers, BA							
80		X	1309			4C		Nonexpenditure transfers, net: Actual transfers, unob balances							
80		X	1309			4D		Nonexpenditure transfers, net: Anticipated transfers, unob balances							
80		X	1309			5		Temporarily not available pursuant to Public Law ___ (-)							
80		X	1309					**Permanently not available:**							
80		X	1309			6A		Permanently not available: Cancellations of expired or no-year accounts (-)							
80		X	1309			6B		Permanently not available: Enacted reductions (-)							
80		X	1309			6C		Permanently not available: Capital transfer and redemption of debt (-)							
80		X	1309			6D		Permanently not available: Other authority withdrawn (-)							
80		X	1309			6E		Permanently not available: Pursuant to Public Law ___ (-)							
80		X	1309			6F		Permanently not available: Anticipated for rest of year (-)							
80		**X**	**1309**			**7**		**Total budgetary resources**			**10,000,000**		**10,000,000**		
80		X	1309					**APPLICATION OF BUDGETARY RESOURCES**							
80		X	1309					**Apportioned:**							
80		X	1309			8A1		First quarter			7,000,000		7,000,000		
80		X	1309			8A2		Second quarter							
80		X	1309			8A3		Third quarter							
80		X	1309			8A4		Fourth quarter							
80		X	1309			8B1		Agency one (19-80X1309)			1,000,000		1,000,000		
80		X	1309			8B1		Agency two (12-80X1309)			2,000,000		2,000,000		
80		X	1309			8C		Apportioned for 20XX							
80		X	1309			9		Budgetary Resources: Withheld pending rescission (pursuant to 2 U.S.C. 683)							
80		X	1309			10		Budgetary Resources: Deferred							
80		X	1309			11		Budgetary Resources: Unapportioned balance of revolving fund							
80		**X**	**1309**			**12**		**Total budgetary resources**			**10,000,000**		**10,000,000**		

Submitted ___________________________________ Date _________________

Approved ___________________________________ Date _________________

Allocation Tansfer Apportionment, Parent Only

FY 2009 Apportionment
Funds provided by Public Law 110-999

Treasury Agency	FY1	FY2	Treasury Account	Alloc Account	Alloc Sub-Account	Line No	Line Split	Bureau/ Account Title / Cat B Stub / Line Split	Previous Approved	Prev Footnote	Agency Request	Agency Footnote	OMB Action	OMB Footnote	Memo Obligations
								Agency: Department of Government							
								Bureau: Office of the Secretary							
								Account: R & D (003-04-1109)							
								TAFS: 80-1309 /X							
80		X	1309			BEA	DISC	BEA Category							
80		X	1309			RptCat	NO	Reporting Categories							
80		X	1309			AdjAuth	NO	Adjustment Authority provided							
80		X	1309					**BUDGETARY RESOURCES**							
80		X	1309					**Unobligated balance:**							
80		X	1309			1A		Unob Bal: Brought forward, October 1 (+ or -)							
80		X	1309			1B		Unob Bal: Adjustment to SOY balance brought forward, October 1 (+ or -)							
80		X	1309					**Recoveries of prior year unpaid obligations:**							
80		X	1309			2A		Recoveries of prior year unpaid obligations, Actual							
80		X	1309			2B		Recoveries of prior year unpaid obligations, Anticipated							
80		X	1309					**Budget authority \ Appropriation:**							
80		X	1309			3A1		BA: Appropriation, Actual			10,000,000		10,000,000		
80		X	1309			3A2		BA: Appropriation, Anticipated							
80		X	1309			3B		BA: Borrowing authority							
80		X	1309			3C		BA: Contract authority							
80		X	1309					**Budget authority \ Spending authority from offsetting collections (gross):**							
80		X	1309					**Earned:**							
80		X	1309			3D1A		BA: Offsetting Collections - Earned, Collected							
80		X	1309			3D1B		BA: Offsetting Collections - Earned, Change in receivables from Fed sources							
80		X	1309					**Change in unfilled customer orders (+ or -):**							
80		X	1309			3D2A		BA: Change in unfilled customer orders - Advance received							
80		X	1309			3D2B		BA: Change in unfilled customer orders - Without advance from Fed sources							
80		X	1309			3D3		BA: Offsetting collections - Anticipated, without advance							
80		X	1309			3D4		BA: Offsetting Collections - Previously unavailable							
80		X	1309					**Expenditure transfers from trust funds:**							
80		X	1309			3D5A		BA: Expenditure transfers from trust funds - Collected							
80		X	1309			3D5B		BA: Expenditure transfers from trust funds - Change in receivables							
80		X	1309			3D5C		BA: Expenditure transfers from trust funds - Anticipated							
80		X	1309					**Nonexpenditure transfers, net:**							
80		X	1309			4A		Nonexpenditure transfers, net: Actual transfers, BA (allocation)			-3,000,000		-3,000,000		
80		X	1309			4B		Nonexpenditure transfers, net: Anticipated transfers, BA							
80		X	1309			4C		Nonexpenditure transfers, net: Actual transfers, unob balances							
80		X	1309			4D		Nonexpenditure transfers, net: Anticipated transfers, unob balances							
80		X	1309			5		Temporarily not available pursuant to Public Law ___ (-)							
80		X	1309					**Permanently not available:**							
80		X	1309			6A		Permanently not available: Cancellations of expired or no-year accounts (-)							
80		X	1309			6B		Permanently not available: Enacted reductions (-)							
80		X	1309			6C		Permanently not available: Capital transfer and redemption of debt (-)							
80		X	1309			6D		Permanently not available: Other authority withdrawn (-)							
80		X	1309			6E		Permanently not available: Pursuant to Public Law ___ (-)							
80		X	1309			6F		Permanently not available: Anticipated for rest of year (-)							
80		**X**	**1309**			**7**		**Total budgetary resources**			**7,000,000**		**7,000,000**		
80		X	1309					**APPLICATION OF BUDGETARY RESOURCES**							
80		X	1309					**Apportioned:**							
80		X	1309			8A1		First quarter			7,000,000		7,000,000		
80		X	1309			8A2		Second quarter							
80		X	1309			8A3		Third quarter							
80		X	1309			8A4		Fourth quarter							
80		X	1309			8C		Apportioned for 20XX							
80		X	1309			9		Budgetary Resources: Withheld pending rescission (pursuant to 2 U.S.C. 683)							
80		X	1309			10		Budgetary Resources: Deferred							
80		X	1309			11		Budgetary Resources: Unapportioned balance of revolving fund							
80		**X**	**1309**			**12**		**Total budgetary resources**			**7,000,000**		**7,000,000**		

Note: In order for the transfers to crosswalk correctly in the SF 133 and President's Budget, please ensure that both the parent and child use the appropriate USSGL for allocation transfers http://www.fms.treas.gov/USSGL/).

Submitted ______________________________ Date ______________

Approved ______________________________ Date ______________

SECTION 123—APPORTIONMENTS UNDER CONTINUING RESOLUTIONS

Table of Contents

Summary of Changes

Clarifies how OMB apportions funds under a CR and specifies that the CR automatic apportionment does not apply if the House or Senate provided no funding for an account (sections 123.2 and 123.3).

Provides a rule of thumb for calculating the historical seasonal rate of obligations (section 123.8).

123.1 What is a continuing resolution?

Continuing resolutions (also known as "CRs") are joint resolutions that provide continuing appropriations for a fiscal year. CRs are enacted when Congress has not yet passed new appropriations bills and a program's appropriations are about to or have expired, or when the President has vetoed congressionally passed appropriations bills. Because of the nature of CRs, you should operate at a minimal level until after your regular appropriation is enacted.

123.2 How do I determine the amount available for obligation under a continuing resolution?

Usually, CRs do not appropriate specific sums of money. Rather, they provide "formulas" for calculating the amounts available for continuing programs at minimal levels. This formula is applied by OMB in apportioning funds under the CR. Once the CR is enacted, OMB usually issues a bulletin to automatically apportion funds available under the CR. This automatic apportionment applies to most accounts, but not all. For particular accounts, OMB provides a separate written apportionment.

CRs provide funds for projects and activities. The phrase *projects and activities* has two meanings:

1. The phrase usually refers to the total appropriation for the account (the amount calculated by the formula) rather than to specific activities (when determining which government programs are covered by the CR and the rate for operations limit).

2. The phrase *sometimes* refers to the specific activity (when determining whether an activity was authorized or carried out in the preceding year).

You should carefully review each CR to determine the formula provided. Keep in mind that the amount available under a CR is the product of negotiations among the various factions in the Congress and the Administration. As a result, the formula provided in each CR will likely differ from the formula in previous CRs. For example, the formulas provided by the CRs for the past ten years have been different. Click here for the formula provided by those CRs as well more detailed guidance on how to execute the CR:

- FY 2009 CR (OMB Bulletin 08-02)
- FY 2008 CR (OMB Bulletin 07-05)
- FY 2007 CR (OMB Bulletin 06-04)
- FY 2006 CR (OMB Bulletin 05-03)
- FY 2005 CR (OMB Bulletin 04–05)
- FY 2004 CR (OMB Bulletin 03–05)
- FY 2003 CR (OMB Bulletin 02–06)
- FY 2002 CR (OMB Bulletin 01–10)
- FY 2001 CR (OMB Bulletin 01–01)
- FY 2000 CR (OMB Bulletin 99–07)

Note that you may not obligate funds under the CR that would impinge on final funding prerogatives of Congress. CRs usually include provisions directing agencies to execute programs using the most limited funding actions permitted in order to provide for continuing projects and activities. Agencies are also directed by the CR to not execute programs that would otherwise have high initial rates of operation or complete distribution of appropriations at the beginning of the year because of distribution of funds to States, foreign countries, grantees, or others.

123.3 What do I do if my account receives no funding in the House or Senate bill?

If either the House or Senate has reported or passed a bill that provides no funding for an account at the time the CR is enacted, the CR automatic apportionment does not apply to that account. You must submit a written apportionment request to OMB if you want to request funds for the account during the period of the CR. This restrictive funding action is to ensure that the agency does not impinge on final funding prerogatives of Congress.

123.4 Do the amounts made available for obligation remain available after a continuing resolution expires?

No. CRs make amounts available for obligation only until a time specified by the CR or until the enactment of regular fiscal year appropriations, whichever is sooner. A CR normally provides temporary funding. As specified by the CR, it can last any period of time (one day, a few days, a few weeks, or a month). It is generally understood that the normal appropriations process will eventually produce appropriation acts to replace or terminate the CR. In exceptional cases, CRs have been in effect through the end of the fiscal year. In such cases, regular appropriations language replaces the formula in the CR. For example, in FY 2003, 11 of the 13 regular annual appropriations bills were not enacted. Instead, all the appropriations normally provided in those bills were provided in one joint resolution making consolidated appropriations. Consolidated appropriations are also referred to as omnibus appropriations acts.

123.5 Does the continuing resolution limit the purposes for which funds may be obligated?

Normally, yes. A CR makes amounts available subject to the same terms and conditions specified in the enacted appropriations acts from the prior fiscal year. The CR may also establish additional terms and conditions. Normally, you are **not** permitted to start new projects or activities.

123.6 Am I required to submit an apportionment request while I am funded by a continuing resolution?

Normally, no. OMB will issue a bulletin to automatically apportion amounts made available by CRs that expire before the end of the fiscal year. The OMB bulletins that apportioned the CRs during the last ten fiscal years are linked to section 123.2. Usually the bulletin requires you to request a written apportionment when the rate of obligation is affected by seasonality and the normal pattern of obligation exceeds the pro rated level calculated under the automatic apportionment. Also, you may request written apportionments if you believe that amounts automatically apportioned are insufficient or if either you or OMB believes that a written apportionment is necessary. Once a written apportionment is approved, the terms and conditions of the automatic apportionment bulletin cease to apply to the extent changed by the written apportionment.

123.7 If I am funded by a continuing resolution and have received a written apportionment, will I have to submit written reapportionment requests for each extension of the CR?

Yes, unless otherwise required on the approved written apportionment.

123.8 How do I determine the historical seasonal rate of obligations?

Sometimes one of the levels of funding automatically apportioned under the CR is the seasonal rate of obligations. The historical seasonal rate of obligations is determined on a case-by-case basis. Typically, it is calculated using the previous five fiscal years' obligations as reported for the account on form SF 133, Report on Budget Execution and Budgetary Resources. Consult with your OMB examiner.

123.9 Are my credit programs funded under a continuing resolution?

Yes. CRs generally make budgetary resources available to support the costs (appropriations for subsidy cost amounts) associated with direct and guaranteed loan activities that were conducted in the prior fiscal year. Normally, the CR allows you to make new direct loans and new commitments to guarantee loans within the limitations on credit activity levels and subject to the terms and conditions specified in the prior fiscal year appropriations act(s).

123.10 Do I have to request a warrant from Treasury while operating under a continuing resolution?

Generally, no. Excluding a full-year CR, Treasury will not issue a warrant under a CR unless an agency explicitly requests one (see Treasury Financial Manual I TFM2–2000, section 2025.20). Exceptions may be made on a case by case basis if the CR extends beyond the second quarter of the fiscal year. Further FMS Treasury guidance may be found on the USSGL website (http://www.fms.treas.gov/USSGL/index.html).

123.11 Do I need to request a reapportionment after my regular appropriation is enacted?

Yes. You must request a reapportionment **within ten days** of the enactment of your regular appropriations act, even if the period covered by the CR has not expired. In the column called "Amount on Latest SF 132", include the amounts apportioned under the CR (including automatic apportionment amounts as provided by the OMB Director's Bulletin). The total amount subject to reapportionment will equal the total amount made available for the fiscal year in the regular appropriation. Click here for further information on the following:

- Instructions on the apportionment process (see section 120)
- Instructions on the format of the apportionment schedule (SF 132) (see section 121)
- Detailed instructions for each line on the apportionment schedule (SF 132) (see Appendix F)

While OMB is reviewing your written apportionment request, you will be under an automatic apportionment. See section 120.31 for the formula of the automatic apportionment.

123.12 Will my regular appropriations cover obligations made during the continuing resolution?

Yes. Normally your regular appropriations cover all obligations made during the CR. However, there could be exceptions. For example, consider the following situation:

(1) There was no indication that the Congress would enact a regular annual appropriation less than the amount available under the CR; and

(2) The amount obligated was available under the CR; and

(3) The total regular annual appropriation enacted was subsequently less than the obligations incurred under the CR; and

(4) The agency reduced obligations to the maximum extent possible – returning purchases received for a refund, canceling purchases of goods and services ordered but not yet received, and canceling grants.

In this case, the agency complied with the legislative intent of the lower appropriation under the CR, but the reduced obligations were still greater than the regular annual appropriation, it was determined that the portion needed to cover the difference was covered by the CR. Contact your OMB examiner if you are in this situation.

SECTION 124—AGENCY OPERATIONS IN THE ABSENCE OF APPROPRIATIONS

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124.1 What types of actions may my agency conduct during a funding hiatus?

(a) *Background*.

The Attorney General issued two opinions in the early 1980s that the language and legislative history of the Antideficiency Act unambiguously prohibit agency officials from incurring obligations in the absence of appropriations ("Applicability of the Antideficiency Act Upon a Lapse in an Agency's Appropriations" (1980) and "Authority for the Continuance of Government Functions During a Temporary Lapse in Appropriations" (1981)). The Office of Legal Counsel of the Department of Justice issued an opinion dated August 16, 1995, that reaffirms and updates the 1981 opinion.

(b) *Policies*.

This section provides policy guidance and instructions for actions to be taken by Executive Branch agencies when Congress fails to enact either regular appropriations, a continuing resolution, or needed supplementals, resulting in an interruption of fund availability.

This section does <u>not</u> apply to specific appropriations action by the Congress to deny program funding.

When the Congress fails to act on program supplementals and the result is partial funding interruptions, special procedures beyond those outlined in this section may be warranted. In such cases, you should consult your OMB representative.

In the absence of appropriations:

- Federal officers may <u>not</u> incur any obligations that cannot lawfully be funded from prior appropriations unless such obligations are otherwise authorized by law.

- Federal officers may incur obligations as necessary for orderly termination of an agency's functions, but funds may <u>not</u> be disbursed.

124.2 What plans should my agency make in anticipation of a funding hiatus?

Agency heads must develop and maintain plans for an orderly shutdown in the event of the absence of appropriations. Submit your plans to OMB when they are either first prepared or revised. Include the following information in the plan:

- Estimate the time (to the nearest half-day) to complete the shutdown.
- Number of employees expected to be on-board before implementation of the plan.
- Total number of employees to be retained under the plan because:
  - They are engaged in military, law enforcement, or direct provision of health care activities, or

  - Their compensation is financed by a resource other than annual appropriations.

- Number of employees, not otherwise exempt, to be retained to protect life and property.

As you monitor the progress of your appropriations through the Congress, you will need to be sensitive to the possibility of delays, and, in particular, delays caused by issues that have little to do with your agency's programs. You should avoid initiating new activities included in the proposed budget by using available money in the prior year.

Within the guidance established by the opinions issued by the Department of Justice and this Circular, agency heads must decide what activities are essential to operate their agencies during an appropriations hiatus. Address questions that you cannot answer to OMB. Address questions about the interpretation of the Antideficiency Act jointly to OMB and the Office of Legal Counsel of the Department of Justice.

Submit policy statements and legal opinions supporting those estimates to OMB if you estimate:

- That more than one-half day would be needed to complete a shutdown, or

- That the number of employees to be retained to protect life and property would exceed five percent of the number of employees on-board at the beginning of a hiatus less those exempt.

124.3 When should my agency's shutdown plans be implemented?

OMB will monitor the status of congressional actions on appropriations bills and will notify agencies if shutdown plans are to be implemented. Whenever it appears that a hiatus in appropriations might occur, you should review your shutdown plans, and, if revisions are required, promptly submit the revised plan to OMB.

After OMB has identified a hiatus in appropriations and all available funds (including realloted/reallocated funds), are exhausted, you must begin orderly shutdown activities. Each agency head must determine the specific actions that will be taken; however, all your actions must contribute to an orderly shutdown of the agency and give primary consideration to protecting life and safeguarding Government property and records. Agency heads will notify OMB immediately when shutdown activities are being initiated.

During an absence of appropriations, agency heads must limit obligations to those needed to maintain the minimum level of essential activities necessary to protect life and property.

Take necessary personnel actions to release employees in accordance with applicable law and regulations of the Office of Personnel Management. You must prepare employee notices of furlough and process personnel and pay records in connection with shutdown furlough actions. You should plan for these functions to be performed by employees who are retained for orderly termination of agency activities as long as those employees are available.

OMB will notify you when the hiatus of appropriations has ended.

SECTION 130—SF 133, REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

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Summary of Changes

Clarifies the treatment of unobligated balances at the end of the fifth expired year for Treasury Appropriation Fund Symbols with extended disbursement authority (section 130.12).

130.1 What is the purpose of the SF 133 and how is it organized?

The SF 133 Report on Budget Execution and Budgetary Resources:

- Fulfills the requirement in 31 U.S.C. 1511–1514 that the President review Federal expenditures at least four times a year.

- Allows the monitoring of the status of funds that were apportioned on the SF 132 Apportionment and Reapportionment Schedule and funds that were not apportioned.

- Provides a consistent presentation of information across programs within each agency, and across agencies, which helps program, budget, and accounting staffs to communicate.

- Provides historical reference that can be used to help prepare the President's Budget, program operating plans, and spend-out rate estimates.

- Provides a basis to determine obligation patterns when programs are required to operate under a continuing resolution.

- Ties an agency's financial statements to their budget execution. The compilation of an agency's SF 133s should generally agree with an agency's Statement of Budgetary Resources. The few differences are explained in section 130.19(e).

The SF 133 consists of the following sections:

Section...	**shows whether....**	**and is described in:**
Budgetary Resources	budgetary resources are available for obligation or not	Appendix F, Budgetary Resources
Status of Budgetary Resources	budgetary resources have been obligated or not	Appendix F, Status of Budgetary Resources
Change in Obligated Balances	Obligated balances changed	Appendix F, Change in Obligated Balances
Net Outlays	obligated amounts have been outlayed or not	Appendix F, Net Outlays

130.2 What are the general requirements for submitting SF 133s?

(a) *What accounts should I report*?

Unless otherwise specified by OMB, all Executive Branch agencies must electronically submit SF 133 information each quarter for each open Treasury appropriation fund symbol (TAFS).
Do submit SF 133 reports for:

- Unexpired (i.e. current) TAFSs;

- Expired TAFSs (including TAFSs about to be closed and annual TAFSs that are older than five years that have legally authorized extended disbursing authority);

- Both apportioned TAFSs and those that have not been apportioned; and

- Credit program, financing, and liquidating TAFSs (see section 185 for detailed information).

Do not submit SF 133 reports for:

- Deposit fund accounts;
- Receipt accounts (including clearing accounts and suspense accounts); and
- Closed TAFSs (i.e. TAFSs with canceled balances) unless required by OMB.

(b) *What level of detail should I report?*

Submit SF 133s for each expired and unexpired TAFS. Report amounts as cumulative from the beginning of the fiscal year to the end of the period.

Because one of the main purposes of the SF 133 is to monitor the use of the funds planned on the SF 132 Apportionment, in general, your SF 133 should contain the same level of detail as your SF 132 Apportionment.

(c) *How do I submit an SF 133?*

You must submit SF 133 budget execution information electronically through the Treasury's Federal Agencies' Centralized Trial-balance System II (FACTS II). This facilitates analysis and ensures consistent presentation of budget execution information so that Government-wide totals are meaningful. Electronic submission of the information also allows the SF 133 to be presented on the Budget Community web pages at https://max.omb.gov/community/x/HAAQAw to facilitate communication among accounting, budget, and audit staff.

You can find out more about FACTS II at http://www.fms.treas.gov/factsii/index.html or by calling the Budget Reports Division at (202) 874–8668. FACTS II does not replace the SF 133, but rather replaces previous systems used to collect SF 133 information.

(d) *Who can approve an SF 133 submission?*

SF 133 information submitted for each independent agency, departmental bureau, or similar subdivision will be certified by an officer duly authorized by the head of the agency to be responsible for the integrity of the submission.

Typically, one group within your agency (for example, the accounting office) reports amounts to Treasury while another group (for example, the budget office) prepares budget schedules (see section 82.15). Before the accounting office submits its actuals to Treasury in FACTS II, you must ensure that the amounts you are going to report are conceptually and numerically consistent with the amounts that your budget office is going to report in MAX A–11. In addition, GAO requires your auditors to determine whether controls exist to ensure that the amounts in your systems and the amounts submitted via FACTS II agree. See GAO–02–126G "Guide for Auditing the Statement of Budgetary Resources" (see section 82.15).

(e) *When do I submit an SF 133?*

You must submit SF 133 budget execution information at the end of each quarter. You can find out the reporting deadlines at http://www.fms.treas.gov/factsii/index.html or by calling the Budget Reports Division at (202) 874–8668. The FACTS II window opens approximately 5 days after the close of each quarter. You must revise any material errors in previously reported information through FACTS II at this time as well. You also must be able to produce a monthly SF 133 when required by OMB.

(f) *What other budget execution reporting requirements must I meet?*

You must submit a paper copy of the SF 133 for each quarter directly to the Committee on Appropriations, House of Representatives. To the extent practicable, you should submit all the reports for each independent agency, departmental bureau, or similar subdivision together and numbered consecutively. You may use printouts of SF 133s from FACTS II. You may also encourage or make arrangements with the Committee on Appropriations, House of Representatives to electronically retrieve the information from the Budget Community web pages at https://max.omb.gov/community/x/HAAQAw.

You should periodically compare the estimates of anticipated amounts (contained on SF 132 lines 2B, 3A2, 3D3, 3D5C, 4B, 4D, 6F, and SF 133 line 9A3) to actual results to improve future estimates.

130.3 How do I report budgetary resources?

To use the entries in this section of the SF 133, see Appendix F, budgetary resources. The Appendix F includes specific instructions for unexpired TAFSs, expired TAFSs, and expired TAFSs being closed. "Expired TAFSs being closed" refers to the final September 30 SF 133 that is submitted for a TAFS (e.g., the September 30 report for an annual TAFS that has been expired for five years).

For unobligated balance brought forward, do not include any amounts for (1) indefinite appropriations, except special and trust fund receipts; (2) indefinite borrowing authority; or (3) indefinite contract authority. For adjustments to indefinite budget authority, refer to line 6D of Appendix F as well as http://www.fms.treas.gov/ussgl for the appropriate USSGL.

130.4 How do I report the status of budgetary resources?

To use the entries in this section of the SF 133, see Appendix F, status of budgetary resources.

130.5 How do I report obligations, and how are obligations shown on SF 133 reports?

Agencies will provide descriptive stubs for both Category A and Category B obligations. For Category B obligations that do not use program reporting categories, agencies will continue to provide a stub that describes the Category B project. For both Category A and Category B obligations that use program reporting categories, agencies will provide a stub that describes the reporting category.

OMB sends a list of program reporting category stubs, as well as Category B project stubs, from approved apportionments to the Department of the Treasury's Financial Management Service (FMS) for use in FACTS II budget execution reporting. See sections 121.2, 121.3, and 121.4 for additional information. When reporting your obligations, FACTS II will present you with a list of program reporting categories and Category B projects to report upon; these Category B projects and reporting categories are taken from OMB's automated apportionment system.

OMB sends this information to FMS so OMB can use automated tools to align program report categories and Category B projects on the approved apportionments to the SF 133 reports. Prior to this change, OMB was unable to create automated reports that compare apportioned amounts (from the SF 132) and obligations (from the SF 133) by Category B project. The reason is that the SF 132s and SF 133s used different names for the Category B projects, so it was impossible to use a computer program to line up the projects by name.

When reporting your obligations to FACTS II, you may add new Category B project and\or Categories A or B program report category stubs. Here are some reasons why you may need to add new Category B projects and\or Categories A or B program reporting categories:

- First, you must report all obligations that took place during the reporting period. You must add Category B projects and\or Categories A or B program reporting categories if FACTS II does not provide you with a comprehensive list of Category A or B program reporting categories and\or Category B projects to report all your obligations.

- Second, if you are aware that OMB has apportioned funds using Category B projects that are not presented in FACTS II, then you should add the missing Category B projects names, and report your obligations for those projects.

- Third, if you are aware that OMB has used Category A or B program reporting categories that are not presented in FACTS II, then you should add the missing program reporting category names, and report your obligations for those categories.

The obligations submitted to FACTS II are presented in two ways on the SF 133 reports produced by FACTS II and OMB.

- First, obligations are summarized into the following categories: (1) Direct, Category A; (2) Direct, All Category B projects; (3) Direct, exempt from apportionment; (4) Reimbursable, Category A; (5) Reimbursable, All Category B projects; and (6) Reimbursable, exempt from apportionment.

- Second, the SF 133s show obligations by Apportionment Category (A or B), and then by Category B project (for Category B, only) or program reporting category (Category A and Category B).

- Third, the SF 133s show funds apportioned for future fiscal years on SF 133 line 9A2.

Exhibit 130C shows how the obligations are reported for one TAFS.

130.6 How do I report the change in obligated balances?

To use the entries in this section of the SF 133, see Appendix F, change in obligated balances. Lines 12 through 18 are required for all quarters.

130.7 How do I report net outlays?

To use the entries in this section of the SF 133, see Appendix F, net outlays. Line 19 is required for all quarters.

130.8 What do I need to know about accounting adjustments under 31 U.S.C. 1534?

When an appropriation is available to an agency to pay a cost that benefits another appropriation that is also available to pay the cost, 31 U.S.C. 1534 permits the first appropriation to be charged initially, as long as the charge is moved to the appropriation benefited before the end of the fiscal year. Do not report the initial charge and succeeding adjustment.

130.9 How is reimbursable work with Federal agencies under the Economy Act shown on SF 133 reports?

When you anticipate but have not yet received an order, whether or not you received an advance, enter the amount on line 3D3 of the SF 133, "Anticipated for rest of year, without advance."

When you receive the order, move the amount of the order from line 3D3 to line 3D2b, "Change in unfilled customer orders: Without advance from Federal sources." If the order is accompanied or preceded by an advance payment, move the advance payment (up to the amount of the order) to line 3D2a, "Change in unfilled customers' orders: Advance received."

If you do not record valid obligations to cover all or part of an order before the period of availability to make obligations of the ordering account expires, then you may not fill that part of the order. You must send back any cash advances not covered by obligations back to the ordering account. If you are the ordering agency, deobligate funds not covered by obligations by the performing account and record the corresponding adjustments. Use line 2A of the SF 133, "Recoveries of prior year unpaid obligations, actual," for obligations incurred in prior fiscal years. For obligations incurred in the current fiscal year, net the amount against the appropriate line 8, "Obligations incurred." If a cash advance accompanied the order, use line 3D1a when you collect the refund. These will be start of year unobligated balances available for adjustments but not new obligations in the expired years.

When you fill the order, move the amounts earned and collected to line 3D1a, "Earned: Collected." Move the amounts earned but *not* collected to line 3D1b, "Earned: Change in receivables from Federal sources."

If you receive payment for a filled order *after* the period of obligational authority of the performing appropriation has *expired,* credit the payment to the expired appropriation, unless the law expressly prescribes other procedures.

If you receive payment *after* your performing account has been *canceled*, you must send the amounts to miscellaneous receipts in the Treasury.

If the period of disbursement for your account is canceled before you reimburse the appropriation that performed the work, you can only make the repayment from an unexpired appropriation that is available for the same purpose as the closed account.

When the performing and ordering agency accounts have different periods of availability, the performing account may need to establish new TAFS, as described in the following table:

ECONOMY ACT ACTIVITIES BETWEEN FEDERAL ENTITIES

If the ordering agency account has…	And the performing agency account…	Then the performing agency account must…	Should the performing agency account TAFS show unobligated balances on the September 30th SF 133?
Annual TAFS	Has annual TAFS	Use existing annual TAFS	No.
	Does not have annual account but has multi-year and no-year TAFS	Ask Treasury to establish annual TAFS	No.
Multi-year TAFS	Has Multi-year TAFS	Use existing multi-year TAFS	It depends. **Yes**, for any year prior to the last year of the multi-year TAFS unless otherwise specified in the unfilled customer order. The amount will become part of SF 133 line 1A in the next fiscal year. **No**, for the last year of the multi-year TAFS.
	Does not have multi-year account but has annual and no-year TAFS	Use existing annual TAFS	**No**, however, for the amount of unfilled customer order not obligated, agency would show new anticipated spending authority from offsetting collections on SF 133 line 3D3 in its annual year TAFS established for the next fiscal year.
	Does not have multi-year account and annual but has no-year TAFS	Ask Treasury to establish annual TAFS	**No**, however, for the amount of unfilled customer order not obligated, agency would show new anticipated spending authority from offsetting collections on SF 133 line 3D3 in its annual year TAFS established for the next fiscal year.
No-year TAFS	Has no-year TAFS	Use existing no-year TAFS	**Yes**, unless otherwise specified in the unfilled customer order. The amount will become part of SF 133 line 1A in the next fiscal year.
	Does not have no-year account but has annual and multi-year TAFS	Use existing annual or multi-year TAFS	It depends. **No**, for an annual or the last year of a multi-year TAFS. However, for the amount of unfilled customer order not obligated, agency would show new anticipated spending authority from offsetting collections on SF 133 line 3D3 in its annual year TAFS established for the next fiscal year unless otherwise specified in the unfilled customer order. **Yes**, for any year prior to the last year of the multi-year TAFS unless otherwise specified in the unfilled customer order. The amount will become part of SF 133 line 1A in the next fiscal year.

130.10 What should I report during the expired phase?

Budget execution reporting procedures. Obligated and unobligated balances must be reported on the SF 133 for each expired TAFS that has not been canceled.

September 30 SF 133 reports for annual TAFSs and the last year of multi-year TAFSs that expire at midnight on September 30 should report these TAFSs as unexpired.

Expired unobligated balances.

At the beginning of the first expired year, place the expired unobligated balance on line 1A, "Unobligated balance: Brought forward October 1 (+ or –)." This amount should equal the sum of the lines in the unobligated balances available section of the final report of budget execution for the unexpired phase, i.e., the sum of lines 9A, 9B and 9C, "Unobligated balance available." These unobligated balances are now expired budgetary resources. They are available for obligation only for valid upward adjustments of obligations that were properly incurred against the TAFS during the unexpired phase.

Since the expired resources are no longer available for new obligations, place the amounts not used for valid adjustments on line 10C, "Unobligated balance not available, other." In each succeeding expired year, the amount on line 1A, "Unobligated balance brought forward October 1 (+ or –)," should be the same as the amount on line 10C, "Unobligated balance not available, other," of the final report of budget execution for the prior year.

130.11 How do I report adjustments to expired TAFSs?

Downward adjustments. Place downward adjustments of unpaid obligations previously incurred on line 2A, "Recoveries of prior year unpaid obligations, actual." The amount should be included as a positive number because it increases the expired resources available only for future adjustments. Downward adjustments do not include previously paid obligations which require a refund. These refunds will be recorded on line 3D1, "Spending authority from offsetting collections, earned," when received.

Upward adjustments. Place upward adjustments of obligations previously incurred on line 8, "Obligations incurred." Upward adjustments of obligations reduce unobligated balances. Subtract upward adjustments from the expired unobligated balances on line 10C, "Unobligated balance not available, other."

The amount should represent the upward adjustments made during the fiscal year for which the report is submitted. Upward adjustments made during previous fiscal years should not be included because the amounts on line 10C, "Unobligated balance not available, other," have already been adjusted downward.

Upward adjustments are limited in at least two ways:

- Upward adjustments are limited by the amount available for adjustments on line 10C, "Unobligated balance not available, other," of the expired TAFS.

- No new obligations may be shown in the expired TAFS columns. Only upward adjustments of obligations that were incurred in the year in which the amount was available for obligation are valid, i.e., recording obligations that were incurred previously but reported in a different amount or erroneously not reported.

Obligation adjustments for contract changes. Upward adjustments to obligations in expired TAFSs, caused by "contract changes" that exceed certain cumulative thresholds, are subject to additional reporting and approval requirements as shown in the following table. A "contract change" means an order relating to an existing contract under which a contractor is required to perform additional work. A contract change does not include adjustments related to an escalation clause.

For the Department of Defense, obligational increases for contract changes are cumulative at the program, project, and activity level. For civilian agencies, such increases are cumulative at the appropriation level.

If the contract change will cause cumulative obligational increases to an appropriation to exceed...	**Then the agency head...**
$4 million during a fiscal year	(or a designated officer in his immediate office) must approve the contract change.
$25 million during a fiscal year	must report the contract change in writing to the appropriate authorizing committees in Congress and to the House and Senate Committees on Appropriations *before* the obligation is made. Include a description of the legal basis and policy reasons for the proposed obligation. Do *not* make or record the obligation in your accounting records until 30 days after submitting the report.

130.12 What must I do when I have extended disbursement authority?

The length of the expired phase of TAFSs may only be changed by law. You must prepare budget execution reports in accordance with Appendix F. Also, you must report such authority to Treasury's Financial Management Service to prevent premature, automatic cancellation of the TAFS.

Beginning in FY 2009, the unobligated balance for TAFSs with extended disbursing authority will not be canceled at the end of the fifth expired year. The unobligated balance will remain in the expired phase until the TAFS is closed. For further guidance, you should consult the Treasury Financial Manual.

Normally, payment of canceled balances will not be eligible for funding from Treasury's general claims fund.

130.13 How do I report expired TAFSs that are being closed?

Expired obligated and unobligated balances must be reported as canceled on the final, September 30 SF 133 before you close the TAFS. Once an amount is reported as canceled, it should not be reported again. Note: Technically, TAFSs are "closed," while appropriations and balances are "canceled."

Cancellations of unobligated balances.

On the final, September 30 SF 133 before a TAFS will be closed, you must present all unobligated balances as canceled, i.e., as a negative (–) on line 6A, "Permanently not available, cancellations of expired and no-year TAFSs."

On all SF 133s, other than the final September 30 SF 133 before a TAFS will be closed, you should show recoveries of prior year unpaid obligations on line 2A, "Recoveries of prior year unpaid obligations, actual," as an expired resource. You should add any part of a recovery that is not used to adjust obligations to the expired unobligated balance shown on line 10C, "Unobligated balance not available, other."

For guidance to cancel an unobligated balance of a TAFS with extended disbursing authority, refer to section 120.12 above.

Cancellations of obligated balances.

When a TAFS is required to be closed, you must present any remaining obligated balance as canceled by doing the following:

- Include it as a cancellation (a positive number) on line 2A, "Recoveries of prior year unpaid obligations, actual;"

- Include it as a write-off (a negative number) on line 6A, "Permanently not available, cancellations of expired and no-year accounts;" and

- Reduce the obligated balance, line 18A, "Obligated balance, net, end of year period, uncollected customer payments from Federal sources (–)" to zero.

In addition to cancellations of unobligated and obligated balances, you must also address the cancellations of prepaid/advanced obligations. Because these amounts were previously reflected as disbursements, the amounts are not reflected in either of the unobligated and obligated balances.

130.14 What disbursements can I make during the canceled phase?

Legitimately incurred obligations that have not been disbursed (i.e., paid) at the time a TAFS is canceled cannot be disbursed from the canceled obligated or unobligated balances of the canceled TAFS.

After a TAFS is canceled, any obligations or adjustments to obligations that would have been properly chargeable to that TAFS may be disbursed from an unexpired TAFS that is available for obligation for the same purpose as the closed TAFS, provided that:

- The obligation or adjustment is not already chargeable to another unexpired TAFS.

- Payment of obligations against canceled TAFSs from unexpired TAFSs are limited to one percent of the appropriation in the unexpired TAFS. No more than one percent of an unexpired TAFS may be used to pay any combination of canceled obligations. This is a single, cumulative limit. It applies to one percent of the annual appropriation (not total budgetary resources) for annual TAFSs and to unexpired appropriations for multi-year TAFSs.

  For example, assume there is a multi-year TAFS with an appropriation of $10 million that covers fiscal years 1997 through 1999 that was enacted in fiscal year 1997. In fiscal year 1997, the one-percent limitation is equal to $100,000. At the end of fiscal year 1997, $90,000 was used. In fiscal year 1998, the unused, unexpired portion ($10,000) of the limitation is available for upward adjustment and disbursement of an obligation from a canceled predecessor TAFS. See section 120.21.

- Antideficiency Act provisions continue to apply to canceled TAFSs. The authority to pay obligations against closed TAFSs from one percent of unexpired TAFSs cannot be used to exceed the original appropriation.

- When you cancel obligations under the provisions of Public Law 101–510 (31 U.S.C. 1551–1557), a tracking process should be maintained. You must maintain proper U.S. Standard General Ledger (USSGL) controls for obligations pertaining to canceled appropriations to prevent overpayment. The Treasury's Financial Management Service provides USSGL accounting instructions. See http://www.fms.treas.gov/ussgl for further information.

130.15 How do I submit non-standard reports?

You must submit additional *monthly* budget execution reports when required by OMB. Submit these directly to your OMB representative. Use the SF 133 format and lines described in Appendix F. Provide a separate column of information for each unexpired and expired TAFS. The columns should be formatted in the following order: unexpired, expired, and total. Report amounts in whole dollars. The submission of a monthly report does not relieve you of providing an electronic submission through FACTS II each quarter.

OMB's policy is to use existing agency internal reports to the greatest extent feasible to support required reports. When existing agency internal reports do not include the information necessary to provide complete information on the progress and status of programs, projects, or activities, supporting information may be required by OMB.

See section 20 on definitions, concepts, and terminology for additional guidance related to preparation of the SF 133.

130.16 How do I report lower levels of detail?

You can report lower levels of detail on the SF 133 in a variety of ways as follows:

Method	Description
Category B	If your SF 132 apportions funds on line 8B "Category B" at a certain level, then you must provide the same level of detail on the SF 133.
Treasury Sub-account	You may need to report certain SF 133s by Treasury sub-account. OMB and you may decide that a Treasury sub-account be established to identify a certain level of detail not only on the SF 133 but also on other reports submitted to the Treasury. The establishment of a Treasury sub-account for an account may affect Treasury reporting requirements (such as the SF 224 Statement of Transactions).
Footnotes	For information that is integral to understanding the content of the SF 133 but cannot be reported in one of the more standardized methods described above, you may footnote any amount reported on the SF 133. If your OMB representative requires a footnote, then it must be provided.

Consult with your OMB representative to determine the best method for your situation.

130.17 How do I submit an SF 133 for allocation accounts?

The parent agency must ensure that a separate SF 133 is submitted for each allocation transfer account through FACTS II. When allocation transfers are made from a parent account to allocation accounts, then an SF 133 will be submitted for each allocation account to report its activities. The parent agency will determine who will submit the information through FACTS II and how. Regardless of who submits the information through FACTS II, the activity of both the parent account and the allocation accounts will be reported on the parent agency's Statement of Budgetary Resources.

The parent agency may choose to: (a) gather information from all of the agencies that have allocation accounts and enter the information into FACTS II, or (b) require each agency with an allocation account to enter information into FACTS II and provide a copy to the parent agency.

Agencies reporting these allocation accounts will furnish information to the other agency or agencies involved in the allocation in a timely manner. Receiving agencies with allocation accounts must submit the information required to the parent agency no later than 12 calendar days following the end of the reporting period or a date required by the parent to meet its reporting and auditing deadlines, whichever comes first.

130.18 How do I submit an SF 133 for credit TAFSs?

You should submit SF 133s for credit TAFSs at the TAFS level during quarters one through three, but at the cohort level in the fourth quarter. To determine the SF 133 aggregation of credit TAFS reporting that is required for your agency, consult your OMB representative. For additional instructions for preparing the SF 133 for credit programs, see section 185.

130.19 How do I ensure that my actuals are consistent?

Amounts reported on the fourth quarter SF 133 must be consistent with information reported to Treasury as part of year-end closing procedures and must be based on actual accounting information pursuant to 31 U.S.C. 3512. Actuals submitted to OMB for inclusion in the President's annual budget, which is submitted to the Congress, should agree with those submitted to Treasury and those submitted on the fourth quarter SF 133. If one group within your agency (for example, accounting) reports amounts to Treasury while another group (for example, the budget office) prepares budget schedules, then you must take action to ensure that the amounts reported are conceptually and numerically consistent. It may be advisable to allow the budget office to review your SF 133 information before it is submitted.

(a) *What reports of actuals should generally be the same?*

- September 30 SF 133 Report on Budget Execution and Budgetary Resources.
- Statement of Budgetary Resources (SBR) (if required).
- Budget Program and Financing Schedule (actuals column).
- Treasury Combined Statement.
- FMS 2108 Year-end Closing Statement (used to generate Treasury Combined Statement).
- SF 224 Statement of Transactions (used to generate Treasury Combined Statement).
- Your agency's accounting system.

(b) What guidance is available to help me ensure that my actuals are reported consistently?

- Exhibit 130K Crosswalk from SF 133 to the Budget Program and Financing schedule.

- Exhibit 130M Relationship between Selected SF 133 and Budget Program and Financing Schedule lines.

- section 82.15

- Treasury Financial Manual U.S. Government Standard General Ledger Supplement, which contains crosswalks from the USSGL to the SF 133/SBR, FMS 2108, and Program and Financing Schedule. It is available at http://www.fms.treas.gov/ussgl.

(c) *What differences should I expect between the September 30 SF 133 and the Budget Appendix?*

- The SF 133 is displayed at the TAFS level, while the *Appendix* presents consolidated information covering all TAFSs (annual, multiple-year, and no-year) with the same account title. Also, an account in the *Appendix* may contain multiple TAFSs with different titles.

- OMB Circular No. A–11 requires that allocation transfer accounts be consolidated and reported by the parent account for budget formulation purposes. OMB Circular No. A–11 requires that allocation accounts be reported separately for budget execution purposes (see section 130.17). The sum of the information on all the SF 133s with the same account title should be the same as the information required for the *Appendix*.

- As the crosswalk from SF 133 to the Program and Financing schedule (Exhibit 130K) indicates, not all of the expired budgetary resources shown on the SF 133 are shown in the Budget Program and Financing schedule.

- The SF 133 is reported in dollars, while the Program and Financing schedule is in millions of dollars.

(d) *What differences should I expect among the September 30 SF 133, the Budget Appendix, and Treasury Combined Statement?*

- For trust or special funds where budget authority is limited by law, unobligated balances at the end of the fiscal year reported in the Treasury Combined Statement (column 6) may not agree with the unobligated balances reported on the SF 133 (lines 9/10) and the actual column of the Budget Program and Financing Schedule. The difference in the two amounts will represent the total end of year balance on the *Appendix*'s schedule on special and trust fund receipts (Schedule N).

(e) *What differences should I expect between the September 30 SF 133 and the Statement of Budgetary Resources?*

- The SF 133 is displayed at the TAFS level, while the Statement of Budgetary Resources is displayed at the agency level. The Statement of Budgetary Resources is displayed as a principal statement for the agency as a whole, and must be displayed as required supplementary information for major TAFSs.

- The SF 133 displays lines with zero dollars associated with them, while the Statement of Budgetary Resources does not display lines with zero dollars associated with them.

- The Statement of Budgetary Resources includes a separate column for credit financing TAFSs because they are non-budgetary.

- The Statement of Budgetary Resources includes separate lines for offsetting receipts and net outlays in order to derive the net outlays for the agency.

130.20 What is the hierarchy of spending "mixed" funding?

Where multiple types of funding are provided to a single TAFS, agencies must apply obligations, outlays, and reductions against budgetary resources in the following order:

1. Against amounts derived from special and trust fund receipts.

2. Against amounts derived from certain offsetting collections (including asset sales, interest on Federal securities, interest on uninvested funds, compulsory collections from the public, or intragovernmental expenditure transfers with no benefit).

3. Against amounts derived from the general fund of the U.S. Treasury.

The hierarchy would not apply when a law requires that specific resources be spent for specific purposes. It would also not apply to the following types of offsetting collections since the resources are generally provided for a specific purpose and are not fungible with the other resources in the account:

1. Received in returns for goods or services provided, including
    a. Reimbursements under the IPA and
    b. Voluntary insurance premiums.

2. From other Federal government accounts where collections are for a jointly funded grant or project. This does not include intragovernmental expenditure transfers with no benefit.

Your accounting office will find the guidance related to the hierarchy of "mixed" funding in OMB Circular No. A-136 "Financial Reporting Requirements" section II.4.5.3.

Annual Account--September 30 Report

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government

BUREAU: Office of the Secretary

APPROPRIATION OR FUND TITLE AND SYMBOL: 80Y0137 Salaries and expenses

	FY 2008 Unexpired Account	FY 2007 Expired Account	FY 2006 Expired Account	FY 2005 Expired Account	FY 2004 Expired Account	FY 2003 Expired Account	Total
BUDGETARY RESOURCES							
1. Unobligated balance, start of year:							
A. Brought forward, October 1 (+ or -)		110,000	205,000	75,000	87,000	10,000	487,000
2. Recoveries of prior year unpaid obligations:							
A. Actual						3,500	3,500
3. Budget authority:							
A. Appropriation:							
1. Actual	7,400,000						7,400,000
D. Spending authority from offsetting collections (gross):							
1. Earned:							
a. Collected	403,000						403,000
2. Change in unfilled customer orders (+ or -):							
a. Advance received							
5. Temporarily not available pursuant to Pubic Law 1XX-123 (-):	-1,000						-1,000
6. Permanently not available (-):							
A. Cancellations of expired and no-year accounts (-)						-11,000	-11,000
7. Total budgetary resources	7,802,000	110,000	205,000	75,000	87,000	2,500	8,281,500
STATUS OF BUDGETARY RESOURCES							
8. Obligations incurred:							
A. Direct:							
1. Category A	7,601,315	50,000	85,000	45,000	27,000	2,500	7,810,815
2. Category B [program 1]							
3. Exempt from apportionment							
9. Unobligated balance:							
A. Apportioned:							
1. Balance, currently available	200,685						200,685
10. Unobligated balance not available:							
A. Deferred							
B. Withheld pending recission							
C. Other		60,000	120,000	30,000	60,000		270,000
11. Total status of budgetary resources	7,802,000	110,000	205,000	75,000	87,000	2,500	8,281,500
CHANGE IN OBLIGATED BALANCES							
12. Obligated balance, net, start of year:							
A. Unpaid obligations, start of year:							
1. Unpaid obligations, brought forward, October 1 (+)		100,000	365,000	40,000	7,000	5,000	517,000
13. Obligations incurred (+)	7,601,315	50,000	85,000	45,000	27,000	2,500	7,810,815
14. Gross outlays (-)	-7,476,850	-100,000	-170,000	-65,000	-32,000	-4,000	-7,847,850
16. Recoveries of prior year unpaid obligations, actual (-)						-3,500	-3,500
18. Obligated balance, net, end of period:							
A. Unpaid obligations (+)	124,465	50,000	280,000	20,000	2,000		476,465
NET OUTLAYS							
19. Net outlays:							
A. Gross outlays (+)	7,476,850	100,000	170,000	65,000	32,000	4,000	7,847,850
B. Offsetting collections (-)	-403,000						-403,000

The final September 30 SF 133 before an account will be closed will include these lines to indicate the amount to be canceled.

Amounts for lines 10A-C should be consistent with amounts on the latest SF 132.

NOTE: Line 3A1, P.L. 1XX-123.

NOTE: Line 6A, Withdrawn pursuant to 31 U.S.C. 1552.

Identify in a footnote, the law(s) providing budget authority.

(Authorized Officer) (Date)

(Preparer: Name)

(Address)

(Phone number)

Note: Exhibit 121E illustrates the apportionment of this account.

Annual Account with Reimbursements--September 30 Report

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Government Bureau	80Y0123 Salaries and expenses			
	Year 1 Unexpired Account	Year 2 Expired Account		
BUDGETARY RESOURCES				
1. Unobligated balance, start of year:				
A. Brought forward, October 1 (+ or -)		200,000		
3. Budget authority:				
A. Appropriation:				
1. Actual	10,000,000			
D. Spending authority from offsetting collections (gross):				
1. Earned:				
a. Collected	980,000	130,000		
b. Change in receivables from Federal sources	100,000	-100,000		
2. Change in unfilled customer orders (+ or -):				
a. Advance received	20,000			
b. Without advance from Federal sources	30,000	-30,000		
7. Total budgetary resources	11,130,000	200,000		
STATUS OF BUDGETARY RESOURCES				
8. Obligations incurred:				
A. Direct:				
1. Category A	9,800,000	50,000		
2. Category B [program 1]				
3. Exempt from apportionment				
B. Reimbursable:				
1. Category A	1,130,000			
2. Category B [program 1]				
a. Research				
b. Development of products				
3. Exempt from apportionment				
9. Unobligated balance:				
A. Apportioned:				
1. Balance, currently available	200,000			
10. Unobligated balance:				
C. Other		150,000		
11. Total status of budgetary resources	11,130,000	200,000		
CHANGE IN OBLIGATED BALANCES				
12. Obligated balance, net, start of year:				
A. Unpaid obligations, start of year:				
1. Unpaid obligations, brought forward, October 1 (+)		350,000		
B. Uncollected customer payments from Federal sources, start of year:				
1. Uncollected customer payments from Federal sources, brought forward, October 1 (-)		-130,000		
13. Obligations incurred (+)	10,930,000	50,000		
14. Gross outlays (-)	-10,580,000	-55,000		
17. Change in uncollected customer payments from Federal sources	-130,000	130,000		
18. Obligated balance, net, end of period:				
A. Unpaid obligations (+)	350,000	345,000		
B. Uncollected customer payments from Federal sources (-)	-130,000			
NET OUTLAYS				
19. Net outlays:				
A. Gross outlays (+)	10,580,000	55,000		
B. Offsetting collections (-)	-1,000,000	-130,000		

NOTE: Line 3A1, P.L. 1XX-123.

(Authorized Officer) (Date)

(Preparer: Name)_________________
(Address) _________________
(Phone number) _________________

Identify in a footnote, the law(s) providing budget authority.

Collections of receivables from the prior year from Federal sources are entered as a positive amount on line 3D1a and as a negative adjustment on line 3D1b.

Normally, amounts should reflect *obligated amounts only* on the September 30 report except for amounts in expired accounts that are offset by a reimbursable receivable or collection of an outstanding reimbursable receivable from the prior year.

Available only for upward adjustment of valid obligations incurred during the unexpired period.

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

No-Year Account--Quarterly Report

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 6/30/CY

AGENCY: Department of Government
BUREAU: Bureau of Central Services

APPROPRIATION OR FUND TITLE AND SYMBOL
80X1309 Research and development

	X Unexpired Account
BUDGETARY RESOURCES	
1. Unobligated balance, start of year:	
A. Brought forward, October 1 (+ or -).........	1,610,000
2. Recoveries of prior year unpaid obligations:	
A. Actual.........	76,000
B. Anticipated.........	74,000
3. Budget authority:	
A. Appropriation:	
1. Actual.........	25,000,000
D. Spending authority from offsetting collections (gross):	
1. Earned:	
a. Collected.........	197,000
2. Change in unfilled customer orders (+ or -):	
a. Advance received.........	12,000
3. Anticipated for rest of year.........	191,000
6. Permanently not available:	
B. Enacted reductions (-).........	-200,000
7. Total budgetary resources.........	26,960,000
STATUS OF BUDGETARY RESOURCES	
8. Obligations incurred:	
A. Direct:	
1. Category A: Salaries.........	294,320
1. Category A: All Other.........	59,680
2. Category B: Research -- Air.........	5,497,700
2. Category B: Research -- Water.........	5,743,350
2. Category B: Research -- All Other.........	788,750
2. Category B: Development of products-- Air.........	3,890,250
2. Category B: Development of products-- Water.........	3,093,750
B. Reimbursable:	
1. Category A: Salaries.........	5,000
2. Category B: Development of products-- Air.........	98,000
2. Category B: Development of products-- Water.........	95,750
2. Category B: Development of products-- All Other.........	89,450
9. Unobligated balance:	
A. Apportioned:	
1. Balance, currently available.........	3,304,000
2. Apportioned for subsequent periods.........	4,000,000
11. Total status of budgetary resources.........	26,960,000
CHANGE IN OBLIGATED BALANCES	
12. Obligated balance, net, start of year:	
A. Unpaid obligations, start of year:	
1. Unpaid obligations, brought forward, October 1 (+).........	407,500
13. Obligations incurred (+).........	19,656,000
14. Gross outlays (-).........	-19,605,100
16. Recoveries of prior year unpaid obligations, actual (-).........	-76,000
18. Obligated balance, net, end of period:	
A. Unpaid obligations (+).........	382,400
NET OUTLAYS	
19. Net outlays:	
A. Gross disbursements (+).........	19,605,100
B. Offsetting collections (-).........	-209,000

NOTE: Line 3A1, P.L. 1XX-123.

For unexpired accounts, these entries reflect estimated and anticipated downward adjustments of obligations reported in prior years.

Identify in a footnote, the law(s) providing budget authority.

Line 7 should equal line 11.

Note that the program reporting categories used in Exhibit 121O are re-printed on this portion of the SF 133.

This entry is the difference between apportionments through the end of the current quarter and the obligations incurred under those apportionments through the end of the reporting period.

Amounts for lines 10A through 10C should be consistent with amounts on the latest SF 132.

This amount must agree with the amount reported on line 18A of the final SF 133 for the preceding year.

______________ ________
(Authorized Officer) (Date)

Note: Exhibit 121G illustrates the apportionment of this account.

(Preparer: Name)________________
(Address) ________________
(Phone number) ________________

Multi-Year Account Apportioned for Two Fiscal Years

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 6/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL
BUREAU: Bureau of Central Services	89-8/9-0100 Salaries and Expenses
	89-8/9-0100 Unexpired Account
BUDGETARY RESOURCES	
1. Unobligated balance, start of year:	
A. Brought forward, October 1 (+ or -)	
B. Adjustment to unobligated balance brought forward, October 1 (+ or -)	
3. Budget authority:	
A. Appropriation:	
1. Actual	100,000
2. Anticipated	
5. Temporarily not available pursuant to Public Law____ (-)	
6. Permanently not available:	
A. Cancellations of expired and no-year accounts (-)	
7. Total budgetary resources	100,000
STATUS OF BUDGETARY RESOURCES	
8. Obligations incurred:	
A. Direct:	
1. Category A	48,000
2. Category B [program 1]	
3. Exempt from apportionment	
9. Unobligated balance:	
A. Apportioned:	
1. Balance, currently available	2,000
2. Apportioned for subsequent periods	50,000
B. Exempt from apportionment	
C. Other available	
10. Unobligated balance not available:	
A. Deferred	
B. Withheld pending rescission	
C. Other	
11. Total status of budgetary resources	100,000
CHANGE IN OBLIGATED BALANCES	
12. Obligated balance, net, start of year:	
A. Unpaid obligations, start of year:	
1. Unpaid obligations, brought forward, October 1 (+)	
B. Collected customer payments from Federal sources, start of year:	
1. Collected customer payments from Federal sources, brought forward, October 1 (-)	
13. Obligations incurred (+)	48,000
14. Gross outlays (-)	-20,000
18. Obligated balance, net, end of period:	
A. Unpaid obligations (+)	28,000
B. Uncollected customer payments from Federal sources (-)	
NET OUTLAYS	
19. Net outlays:	
A. Gross outlays (+)	20,000
B. Offsetting collections (-)	

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

NOTE: Line 3A1, P.L. 1XX-123.

______________ _______
(Authorized Officer) (Date)

(Preparer: Name)_______________
(Address) _______________
(Phone number) _______________

Public Enterprise (Revolving) or Intragovernmental (Revolving) Fund--Quarterly Report

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 3/31/CY

AGENCY: Department of Government
BUREAU: Government Enterprise Corp.

APPROPRIATION OR FUND TITLE AND SYMBOL
80X4321 Government Enterprise Corp. fund.

	X Unexpired Account
BUDGETARY RESOURCES	
1. Unobligated balance, start of year:	
A. Brought forward, October 1 (+ or -)	83,583,738
3. Budget authority:	
A. Appropriation:	
1. Actual	4,100,000
B. Spending authority from offsetting collections (gross):	
1. Earned:	
a. Collected	33,250,500
b. Change in receivables from Federal sources	700,000
3. Anticipated for rest of year	36,855,800
6. Permanently not available:	
C. Capital transfers and redemption of debt (-)	-20,756,800
7. Total budgetary resources	137,733,238
STATUS OF BUDGETARY RESOURCES	
8. Obligations incurred:	
B. Reimbursable:	
1. Category A	1,200,000
2. Category B: Management services	12,000,000
2. Category B: Sales program	5,000,000
2. Category B: Power program	10,000,000
3. Exempt from apportionment	
9. Unobligated balance:	
A. Apportioned:	
1. Balance, currently available	29,016,600
2. Apportioned for subsequent periods	1,234,600
B. Exempt from apportionment	
10. Unobligated balance not available:	
C. Other	79,282,038
11. Total status of budgetary resources	137,733,238
RELATIONSHIP OF OBLIGATIONS TO OUTLAYS	
12. Obligated balance, net, start of year:	
A. Unpaid obligations, start of year:	
1. Unpaid obligations, brought forward, October 1 (+)	5,621,800
B. Collected customer payments from Federal sources, start of year:	
1. Collected customer payments from Federal sources, brought forward, October 1 (-)	
13. Obligations incurred (+)	28,200,000
14. Gross outlays (-)	-27,384,596
17. Change in uncollected customer payments from Federal sources	-700,000
18. Obligated balance, net, end of period:	
A. Unpaid obligations (+)	6,437,204
B. Collected customer payments from Federal sources (-)	-700,000
NET OUTLAYS	
19. Net outlays:	
A. Gross outlays (+)	27,384,596
B. Offsetting collections (-)	-33,250,500

NOTE: Line 3A1, P.L. 1XX-123.

Identify in a footnote, the law(s) providing budget authority.

All revolving fund obligations, financed from any resource, are reimbursable. See section 83.5.

Lines 8A2 and 8B2 must be consistent with the Apportionment Category B detail amounts.

For revolving funds, this amount will agree with the amount reported on lines 9, 10, and 11 of the latest approved SF 132 plus upward adjustments in income until a reapportionment request is approved.

________________ ________
(Authorized Officer) (Date)

Note: Exhibit 121K illustrates the apportionment of this account.

(Preparer: Name)________________
(Address) ________________
(Phone number) ________________

Annual Account--Advance Appropriation

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 6/30/08

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL
BUREAU: Bureau of Central Services	80-8-1309 Research and development

	FY 2008 Unexpired Account
BUDGETARY RESOURCES	
3. Budget Authority:	
A. Appropriation:	
1. Actual	7,400,000
2. Anticipated	
B. Borrowing authority	
C. Contract authority	
5. Temporarily not available pursuant to Public Law ___ (-)	
6. Permanently not available:	
A. Cancellations of expired and no-year accounts (-)	
B. Enacted reductions (-)	
C. Capital transfers and redemption of debt (-)	
D. Other authority withdrawn (-)	
E. Pursuant to Public Law ____ (-)	
F. Anticipated rest of year (+ or -)	
7. Total budgetary resources	7,400,000
STATUS OF BUDGETARY RESOURCES	
8. Obligations incurred:	
A. Direct:	
1. Category A	7,000,000
2. Category B [program 1]	
3. Exempt from apportionment	
9. Unobligated balance:	
A. Apportioned:	
1. Balance, currently available	400,000
2. Apportioned for subsequent periods	
3. Anticipated (+ or -)	
10. Unobligated balance not available:	
A. Deferred	
B. Withheld pending rescission	
C. Other	
11. Total status of budgetary resources	7,400,000
CHANGE IN OBLIGATED BALANCES	
12. Obligated balance, net, start of year:	
A. Unpaid obligations, start of year:	
1. Unpaid obligations, brought forward, October 1 (+)	
13. Obligations incurred (+)	7,000,000
14. Gross outlays (-)	-5,000,000
18. Obligated balance, net, end of period:	
A. Unpaid obligations (+)	2,000,000
B. Uncollected customer payments from Federal sources (-)	
NET OUTLAYS	
19. Net outlays:	
A. Gross outlays (+)	5,000,000
B. Offsetting collections (-)	

Report advance appropriations in the period in which the funds become available for obligation and not before. For example, an advance appropriation of 7,400,000 in fiscal year 2007 appropriations act that will become available for obligations in fiscal year 2008 should be included on line 1A in the fiscal year 2008 SF 133.

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

NOTE: Line 3A1, P.L. 1XX-123.

_______________ ________

(Authorized Officer) (Date)

(Preparer: Name)_______________

(Address) ________________

(Phone number) _______________

Annual Account--Reappropriation

When a law extends the period of availability of an amount, that in the absence of the law would have expired, the amount is reappropriated.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government
BUREAU: Bureau of Central Services

APPROPRIATION OR FUND TITLE AND SYMBOL
80-8-1309 Research and development

	FY 2007 Unexpired
BUDGETARY RESOURCES	
1. Unobligated balance, start of year:	
A. Brought forward, October 1 (+ or -)........	
3. Budget authority:	
A. Appropriation:	
1. Actual..	200
2. Anticipated..	
6. Permanently not available:	
B. Enacted reductions (-)........................	
7. Total budgetary resources..................................	200
STATUS OF BUDGETARY RESOURCES	
8. Obligations incurred:	
A. Direct:	
1. Category A..................................	
9. Unobligated balance:	
A. Apportioned:	
1. Balance, currently available........................	200
11. Total status of budgetary resources....................	200

The amount that had been part of an unobligated balance (line 9) in a previous period . . .

NOTE: Line 1A, P.L. 1XX-123.

(Authorized Officer) (Date)

(Preparer: Name)________________
(Address) ________________
(Phone number) ________________

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 12/31/CY

AGENCY: Department of Government
BUREAU: Bureau of Central Services

APPROPRIATION OR FUND TITLE AND SYMBOL
80Y1309 Research and development

	FY 2008 Unexpired	FY 2007 Expired
BUDGETARY RESOURCES		
1. Unobligated balance		
A. Brought forward, October 1 (+ or -)........		100
3. Budget authority		
A. Appropriation:		
1. Actual..	100	
2. Anticipated..		
6. Permanently not available:		
B. Enacted reductions (-)........................		-100
7. Total budgetary resources..................................	100	-
STATUS OF BUDGETARY RESOURCES		
8. Obligations incurred:		
A. Direct:		
1. Category A..................................	100	
9. Unobligated balance:		
A. Apportioned:		
1. Balance, currently available........................		
11. Total status of budgetary resources....................	100	-

. . . .should be reported as a new appropriation (line 3A1) in the period in which it becomes available.

Report the reduction on line 6B.

NOTE: Line 3A1, P.L. 1XX-123.

(Authorized Officer) (Date)

(Preparer: Name)________________
(Address) ________________
(Phone number) ________________

Chart of SF 133 General Requirements

This line…	**is generally used only with…** An Unexpired Account	An Expired Account	No entry in 4th Quarter	A Negative Amount
BUDGETARY RESOURCES				
1. Unobligated balance, start of year:				
A. Brought forward, October 1 (+ or -)……				
B. Adjustment to unobligated balance brought forward , October 1 (+ or -)……				
2. Recoveries of prior year unpaid obligations:				
A. Actual……				
B. Anticipated……				
3. Budget authority:				
A. Appropriation:				
1. Actual……				
2. Anticipated……				
B. Borrowing authority……				
C. Contract authority……				
D. Spending authority from offsetting collections (gross):				
1. Earned:				
a. Collected……				
b. Change in receivables from Federal sources……				
2. Change in unfilled customer orders (+ or -):				
a. Advance received……				
b. Without advance from Federal sources……				
3. Anticipated for rest of year……				
4. Previously unavailable……				
5. Expenditure transfers from trust funds:				
a. Collected……				
b. Change in receivables from trust funds……				
c. Anticipated……				
4. Nonexpenditure transfers, net:				
A. Actual transfers, budget authority (+ or -)……				
B. Anticipated transfers, budget authority (+ or -)……				
C. Actual transfers, unobligated balances (+ or -)……				
D. Anticipated transfers, unobligated balances (+ or -)……				
5. Temporarily not available pursuant to Public Law ___ (-)……				
6. Permanently not available (-):				
A. Cancellations of expired and no-year accounts (-)……				
B. Enacted reductions (-)……				
C. Capital transfers and redemption of debt (-)……				
D. Other authority withdrawn (-)……				
E. Pursuant to Public Law ____ (-)……				
F. Anticipated for rest of year (-)……				
7. Total budgetary resources……				
STATUS OF BUDGETARY RESOURCES				
8. Obligations incurred:				
A. Direct:				
1. Category A (sometimes includes program categories)……				
2. Category B [program 1]……				
Category B [program 2 \ program category 1]……				
Category B [program 3 \ program category 2]……				
3. Exempt from apportionment……				
B. Reimbursable:				
1. Category A (sometimes includes program categories)……				
2. Category B [program 1]……				
Category B [program 2 \ program category 1]……				
Category B [program 3 \ program category 2]……				
3. Exempt from apportionment……				
9. Unobligated balance:				
A. Apportioned:				
1. Balance, currently available……				
2. Apportioned for subsequent periods……				
3. Anticipated (+ or -)……				
B. Exempt from apportionment:				
1. Balance, currently available……				
2. Anticipated (+ or -)……				
10. Unobligated balance not available:				
A. Deferred……				
B. Withheld pending rescission……				
C. Other……				
11. Total status of budgetary resources……				

Chart of SF 133 General Requirements

	This line…	is generally used only with… An Unexpired Account	An Expired Account	No entry in 4th Quarter	A Negative Amount
	CHANGE IN OBLIGATED BALANCES				
	12. Obligated balance, net, start of year:				
	A. Unpaid obligations, start of year:				
	1. Unpaid obligations, brought forward, October 1 (+)….				
	2. Adjustment to unpaid obligations, brought forward, October 1 (+ or -)….				
	B. Uncollected customer payments from Federal sources, start of year:				
	1. Uncollected customer payments from Federal sources, brought forward, October 1 (-)….				
	2. Adjustment to uncollected customer payments from Federal sources, brought forward, October 1 (+ or -)….				
Equals line 8	13. Obligations incurred (+)….				
Equals line 19A with opposite sign	14. Gross outlays (-)….				
	15. Obligated balance transfers, net:				
	A. Actual transfers, unpaid obligations (+ or -)….				
	B. Actual transfers, uncollected customer payments from Federal sources (+ or -)….				
Equals line 2A with opposite sign	16. Recoveries of prior year unpaid obligations, actual (-)….				
Equals the sum of lines 3D1b, 3D2b, and 3D5b with opposite sign	17. Change in uncollected customer payments from Federal sources….				
	18. Obligated balance, net, end of <u>year</u>:				
	A. Unpaid obligations (+)….				
	B. Uncollected customer payments from Federal sources (-)….				
	NET OUTLAYS				
	19. Net outlays:				
	A. Gross outlays (+)….				
	B. Offsetting collections (-)….				

SF 133 Outlay Formula

The following is the outlay formula to be used to check the internal consistency of the SF 133.

Outlays = Lines 8 - (3D1+3D2+3D5a+3D5b+2A) + 12 ± 15 - (18A-18B)

Step 1: Take the total amount on line 8--Obligations Incurred		19,656,000
Step 2: Subtract the sum of the following lines:		
Spending authority from offsetting collections (gross)		
Line 3D1a--Collected	197,000	
Line 3D1b--Change in receivables from Federal sources	0	
Line 3D2a--Advance Received	12,000	
Line 3D2b--Without advance from Federal sources	0	
Line 3D5a--Collected	0	
Line 3D5b--Change in receivables from trust funds	0	
Recoveries of prior year unpaid obligations		
Line 2A--Actual	76,000	
Sum	285,000	-285,000
Step 3: Add the sum of the following lines:		
Obligated balance, net		
Line 12A1--Unpaid obligations, brought forward, October 1 (+)	407,500	
Line 12A2--Adjustment to unpaid obligations, brought forward, October 1 (+)	0	
Line 12B1--Uncollected customer payments from Federal sources, brought forward, October 1 (-)	0	
Line 12B2--Adjustment to uncollected customer payments from Federal sources, brought forward, October 1 (-)	0	
Sum	407,500	407,500
Step 4: Add (if positive) or subtract (if negative) the sum of the following lines:		
Obligated balance transfers, net		
Line 15A--Actual transfers, Unpaid obligations, brought forward, October 1 (+ or -)	0	
Line 15B--Actual transfers, Uncollected customer payments from Federal sources(+ or -)	0	
Sum	0	0
Step 5: Subtract the sum of the following lines:		
Obligated balance, net, end of period		
Line 18A--Unpaid obligations (+)	382,400	
Line 18B--Uncollected customer payments from Federal sources(-)	0	
Sum	382,400	-382,400
Outlays:		
Line 19A--Disbursements (+)	19,605,100	
Line 19B--Collections (-)	-209,000	
	19,396,100	
Result: This should be the sum of lines 19A + 19B		19,396,100

Note: These amounts come from Exhibit 130C

Crosswalk from the SF 133 to the Treasury Combined Statement

SF 133 Report on Budget Execution and Budgetary Resources	Treasury Combined Statement
Line 1 - Unobligated balance, start of year:	Column 1[a/]: Balances beginning of fiscal year, unobligated balance (unexpired) and unobligated balance (expired)
Line 12 - Obligated balance, net, start of year:	Column 1: Balances beginning of fiscal year, obligated balance: The sum of accounts payable and undelivered orders minus the sum of accounts receivable and unfilled customer orders
Line 3A1- Budget authority	Column 2: Appropriations and other obligational authority: Total
Line 4A - Actual transfers, budget authority (+ or -)	Net effect shown, with a footnote in column 2 for transfers between annual accounts in the same fund group. All other transfers shown in Column 3
Line 6B - Enacted reductions (-)	Column 2: Appropriations and other obligational authority: Total Column 5: Balances withdrawn and other transactions: The sum of the entries for undisbursed funds, unfunded contract authority, authority to borrow from Treasury, and authority to borrow from the public (plus increases in unobligated balances footnoted in columns 1 and 6 as unavailable for obligation)
Not applicable	Column 3: Transfers, borrowings, and investments (net)
Line 4C - Actual transfers, unobligated balance (+ or -)	Not applicable
Line 15 - Obligated balance transferred, net	Not applicable
Line 19 - Net outlays includes line 19A - Gross outlays and line 19B - Offsetting collections	Column 4: Outlays (net): Total
Line 3 - Spending auth. from offsetting collections (gross)	Not applicable
Line 2 - Recoveries of prior year unpaid obligations	Not applicable
Line 5 - Temporarily not available pursuant to Public Law	Not applicable
Not applicable	Column 5: Balances withdrawn and other transactions: The sum of the entries for undisbursed funds, unfunded contract authority, authority to borrow from Treasury, and authority to borrow from the public (plus increases in unobligated balances footnoted in columns 1 and 6 as unavailable for obligation)
Line 9[b/] - Unobligated balance Line 10[b/] - Unobligated balance not available	Column 6: Balances end of fiscal year, unobligated balance
Line 18 - Obligated balance, net, end of period	Column 6: Balances end of fiscal year, obligated balance: The sum of accounts payable and undelivered orders minus the sum of accounts receivable and unfilled customer orders

[a/] Column 1 of the Treasury Combined Statement (previously known as the Treasury Annual Report) means the first column after the Account Symbol columns.

[b/] Some valid exceptions do exist, such as amounts temporarily precluded from obligation and temporary reductions.

Crosswalk from the SF 133 to the Program and Financing Schedule

This crosswalk only applies to the September 30 SF 133 and the "actual" column of the President's Budget and does not include memorandum lines. You can find the definitions of Program and Financing Schedule lines in section 82. See section 130.15 for additional guidance on ensuring consistent actuals.

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
BUDGETARY RESOURCES			
			2451 Expired unobligated balance carried forward, start of year (special and trust funds)
1. Unobligated balance, start of year:			
A. Brought forward, October 1 (+ or -)			2140 Unobligated balance carried forward, start of year
B. Adjustment to unobligated balance brought forward, October 1 (+ or -)			2145 Adjustment to unobligated balance carried forward, start of year
			SF 133 line 1A is a positive unless you have a deficiency that has not been liquidated in a prior year. When SF 133 line 1A is negative and a resource is realized to liquidate a deficiency, then the P&F will show the appropriation to liquidate the deficiency on the following lines: *Discretionary authority: Appropriations* 4048 Portion applied to liquidate deficiencies (-) *Mandatory authority: Appropriations* 6048 Portion applied to liquidate deficiencies (-) *Discretionary authority: Spending authority from offsetting collections* 5833 Portion applied to liquidate deficiencies (-) *Mandatory authority: Spending authority from offsetting collections* 6933 Portion applied to liquidate deficiencies (-)
2. Recoveries of prior year unpaid obligations:			
A. Actual			2210 Resources available from recoveries of prior year obligations
B. Anticipated	Null Set		
			7345 Recoveries of prior year obligations (-) *Equals the amount on line 2210, but with the opposite sign.*
			7340 Adjustments in expired accounts (net) (-) *These are recoveries of prior year unpaid obligations. Also see SF 133 line 8. These SF 133 and P&F lines will be equal with opposite signs.*
3. Budget Authority:			
A. Appropriation:			
1. Actual			*Discretionary authority:* 4000 Appropriation 4020 Appropriation (special fund) 4026 Appropriation (trust fund) 4028 Appropriation available from subsequent year 4029 Appropriation available in prior year (-) 5000 Reappropriation 5500 Advance appropriation 5520 Advance appropriation (special fund) 5526 Advance appropriation (trust fund) *Mandatory authority:* 6000 Appropriation 6020 Appropriation (special fund) 6026 Appropriation (trust fund) 6028 Appropriation (previously unavailable) 6300 Reappropriation 6500 Advance appropriation 6526 Advance appropriation (trust fund)
2. Anticipated	Null Set		
B. Borrowing authority			*Discretionary authority:* 4700 Borrowing authority *Mandatory authority:* 6710 Borrowing authority 6716 Borrowing authority (12 U.S.C. 2281-96) *These P&F lines also include the amount withdrawn (SF 133 line 6D) from the indefinite borrowing authority (SF 133 line 3B) that is not needed to incur obligations.*
C. Contract authority			*Discretionary authority:* 4900 Contract authority *Mandatory authority:* 6610 Contract authority *These P&F lines also include the amount withdrawn (SF 133 line 6D) from the indefinite contract authority (SF 133 line 3C) that is not needed to incur obligations.*

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts
D. Spending authority from offsetting collections (gross):		
1. Earned:		
a. Collected		
b. Change in receivables from Federal sources		
2. Change in unfilled customer orders (+ or -):		
a. Advance received		
b. Without advance from Federal sources		
3. Anticipated for rest of year	Null Set	
4. Previously unavailable		
5. Expenditure transfers from trust funds:		
a. Collected		
b. Change in receivables from trust funds		
c. Anticipated	Null Set	
4. Nonexpenditure transfers, net:		
A. Actual transfers, budget authority (+ or -)		
B. Anticipated transfers, budget authority (+ or -)	Null Set	
C. Actual transfers, unobligated balances (+ or -)		
D. Anticipated transfers, unobligated balances (+ or -)	Null Set	
5. Temporarily not available pursuant to Public Law ___ (-)		

PROGRAM AND FINANCING SCHEDULE

Discretionary authority: Spending authority from offsetting collections
5800 Offsetting collections (cash)
Mandatory authority: Spending authority from offsetting collections
6900 Offsetting collections (cash)

Discretionary authority: Spending authority from offsetting collections
5810 Change in uncollected customer payments from Federal sources (unexpired)
Mandatory authority: Spending authority from offsetting collections
6910 Change in uncollected customer payments from Federal sources (unexpired)

7400 Change in uncollected customer payments from Federal sources (unexpired)
Equals the amounts on lines 6810 and 6910, but with the opposite sign.

8895 Change in uncollected customer payments from Federal sources (unexpired)
Equals the amounts on lines 6810 and 6910.

7410 Change in uncollected customer payments from Federal sources (expired)

Discretionary authority:
5826 Offsetting collections (Previously unavailable)
Mandatory authority:
6926 Offsetting collections (Previously unavailable)

Discretionary authority:
4100 Transferred to other accounts (appropriations) (-)
4200 Transferred from other accounts (appropriations) (+)
5861 Transferred to other accounts (spending auth. from offset. coll.) (-)
5862 Transferred from other accounts (spending auth. from offset. coll.)(+)
Mandatory authority:
6100 Transferred to other accounts (appropriations) (-)
6200 Transferred from other accounts (appropriations) (+)
6661 Transferred to other accounts (contract authority) (-)
6662 Transferred from other accounts (contract authority) (+)
6961 Transferred to other accounts (spending auth. from offset. coll.) (-)
6962 Transferred from other accounts (spending auth. from offset. coll.) (+)

2221 Unobligated balance transferred to other accounts (-)
2222 Unobligated balance transferred from other accounts (+)
2230 Expired unobligated balance transfer to unexpired accounts (+)
2235 Unexpired unobligated balance transfer to expired accounts (-)
2333 Adjustment for change in allocation

2398 Unobligated balance expiring or withdrawn (-)
Discretionary authority:
4037 Appropriation temporarily reduced (-)
Includes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.
4038 Unobligated balance temporarily reduced (appropriations) (-)
4045 Portion precluded from obligation (appropriations) (-)
4945 Portion precluded from obligation (limitation on obligations)(contract authority)(-)
5537 Advance appropriation temporarily reduced (-)
5837 Temporarily reduced (spend. auth. from offset. coll.)(-)
5838 Unobligated balance temporarily reduced (spend. auth. from offset. coll.) (-)
5845 Portion precluded from obligation (limitation on obligations) (spend. auth. from offset. coll.)(-)
Mandatory authority:
6037 Appropriation temorarily reduced (-)
Includes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.
6038 Unobligated balance temporarily reduced (appropriations) (-)
6045 Portion precluded from obligation (appropriations) (-)
6537 Advance appropriation temporarily reduced (-)
6937 Temporarily reduced (spend. auth. from offset. coll.)(-)
6938 Unobligated balance temporarily reduced (spend. auth. from offset. coll.) (-)
6945 Portion precluded from obligation (limitation on obligations)(spend. auth. from offset. coll) (-)

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
6. Permanently not available:			
A. Cancellations of expired and no-year accounts (-)...............			2398 Unobligated balance expiring or withdrawn (-) 2441 Special and trust fund receipts returned to schedule N (+)
B. Enacted reductions (-)..			*Discretionary authority:* 4035 Appropriation permanently reduced (-) *Includes amounts returned to the general fund of the U.S. Treasury. Excludes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.* 4036 Unobligated balance permanently reduced (appropriations) (-) 4735 Authority to borrow permanently reduced (-) 4935 Contract authority permanently reduced (-) 4936 Unobligated balance permanently reduced (contract authority) (-) 5035 Reappropriation permanently reduced (-) 5535 Advance appropriation permanently reduced (-) 5835 Offsetting collections permanently reduced (-) *Mandatory authority:* 6035 Appropriation permanently reduced (-) *Includes amounts returned to the general fund of the U.S. Treasury. Excludes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.* 6036 Unobligated balance permanently reduced (appropriations) (-) 6335 Reappropriation permanently reduced (-) 6535 Advance appropriation permanently reduced (-) 6635 Contract authority permanently reduced (-) 6636 Unobligated balance permanently reduced (contract authority) (-) 6735 Authority to borrow permanently reduced (-)
C. Capital transfers and redemption of debt (-)........................			2240 Capital transfer to general fund (unobligated balances) (-) 2260 Portion applied to repay debt (unobligated balances) (-) *Discretionary authority: Appropriations* 4047 Portion applied to repay debt (appropriations) (-) *Mandatory authority: Appropriations* 6047 Portion applied to repay debt (appropriations) (-) *Discretionary authority: Spending authority from offsetting collections* 5827 Capital transfer to general fund (spend. auth. from offset. coll.) (-) 5847 Portion applied to repay debt (spend. auth. from offset. coll.) (-) *Mandatory authority: Spending authority from offsetting collections* 6927 Capital transfer to general fund (spend. auth. from offset. coll.) (-) 6947 Portion applied to repay debt (spend. auth. from offset. coll.) (-)
D. Other authority withdrawn (-)...			2270 Balance of authority to borrow withdrawn (-) 2275 Balance of contract authority withdrawn (-) 2341 Adjustment for change in investments of zero coupon bonds (special and non-revolving trust funds) 2342 Adjustment for change in investments of zero coupon bonds (revolving funds) 2343 Adjustment to foreign exchange valuation for Exchange Stabilization Fund *Discretionary authority: Appropriations* 4050 Portion of approps. to liquidate contract authority withdrawn (-) 4053 Portion substituted for borrowing authority (-) *Mandatory authority: Appropriations* 6053 Portion substituted for borrowing authority (-) *Discretionary authority: Spending authority from offsetting collections* 5849 Portion applied to liquidate contract authority (-) 5853 Portion substituted for borrowing authority (-) *Mandatory authority: Spending authority from offsetting collections* 6949 Portion applied to liquidate contract authority (-) 6953 Portion substituted for borrowing authority (-) *These P&F lines exclude the amounts withdrawn (SF 133 line 6D) from the indefinite borrowing authority (SF 133 line 1B) and contract authority (SF 133 line 1C) that are not needed to incur obligations.*
E. Pursuant to Public Law ___ (-)...			*Discretionary authority: Appropriations* 4049 Portion applied to liquidate contract authority (-) *Mandatory authority: Appropriations* 6049 Portion applied to liquidate contract authority (-)
F. Anticipated rest of year (-)..	Null Set		
7. Total budgetary resources……….. ....………………			2390 Total budgetary resources available for obligation

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
STATUS OF BUDGETARY RESOURCES			
8. Obligations incurred:			
A. Direct:			1000 Total new obligations
1. Category A			
2. Total, Category B			2395 Total new obligations (-). Equals the amount on line 1000, but with the opposite sign.
3. Exempt from apportionment			
B. Reimbursable:			7310 Total new obligations. Equals the amount on line 1000.
1. Category A			
2. Total, Category B			7340 Adjustments in expired accounts (net) (+)
3. Exempt from apportionment			*These are upward adjustments of obligations. Also see SF 133 line 4.*
9. Unobligated balance:			2397 Deficiency (-) (SF 133 and P&F will be equal with opposite signs)
A. Apportioned:			2398 Unobligated balance expiring or withdrawn (-) (SF 133/P&F equal with the opposite sign)
1. Balance, currently available			
2. Apportioned for subsequent periods			2440 Unobligated balance carried forward, end of year
3. Anticipated (+ or -)	Null Set	Null Set	
B. Exempt from apportionment			*For annual and multi-year TAFS that are expiring, the SF 133 unexpired unobligated balances carried forward, end of year will crosswalk to line 2398 instead of 2440. For example, the SF 133 unexpired unobligated balances carried forward, end of year of a FY 2007 annual or a FY 2006/2007 multi-year Treasury account will crosswalk to line 2398 with the opposite sign.*
1. Balance, currently available			
2. Anticipated (+ or -)	Null Set	Null Set	
10. Unobligated balance not available:			
A. Deferred			
B. Withheld pending rescission			
C. Other			2452 Expired unobligated balance carried forward, end of year (special and trust funds)
11. Total status of budgetary resources			2390 Total budgetary resources available for obligation
CHANGE IN OBLIGATED BALANCES			
12. Obligated balance, net, start of year:			
A. Unpaid obligations, start of year:			
1. Unpaid obligations, brought forward, October 1(+)			7240 Obligated balance, start of year
2. Adjustment to unpaid obligations, brought forward, October 1(+ or -)			7245 Adjustment to obligated balance, start of year
B. Uncollected customer payments from Federal source, start of year:			
1. Uncollected customer payments from Federal sources, brought forward, October 1(-)			
2. Adjustment to uncollected customer payments from Federal sources, brought forward, October 1(+ or -)			
13. Obligations incurred (+)			Refer to SF 133 line 8.
14. Gross outlays (-)			8690 Outlays from new discretionary authority, but with the opposite sign. 8693 Outlays from discretionary balances, but with the opposite sign. 8697 Outlays from new mandatory authority, but with the opposite sign. 8698 Outlays from mandatory balances, but with the opposite sign. *Also equals the amount on line 7320 Total outlays (gross)*
15. Obligated balance transfers, net:			
A. Actual transfers, unpaid obligations (+ or -)			7331 Obligated balance transferred to other accounts (-)
B. Actual transfers, uncollected customer payments from Federal sources (+ or -)			7332 Obligated balance transferred from other accounts (+)
16. Recoveries of prior year unpaid obligations, actual (-)			7345 Recoveries of prior year obligations (-)
			2210 Resources available from recoveries of prior year obligations *Equals the amount on line 7345, but with the opposite sign.*
			7340 Adjustments in expired accounts (net) (-) *These are recoveries of prior year unpaid obligations. Also see SF 133 line 8.*
17. Change in uncollected customer payments from Federal sources			7400 Change in uncollected customer payments from Federal sources (unexpired)
			Discretionary authority: Spending authority from offsetting collections 5810 Change in uncollected customer payments from Federal sources (unexpired) *Mandatory authority: Spending authority from offsetting collections* 6910 Change in uncollected customer payments from Federal sources (unexpired) *Equals the amount on line 7400, but with the opposite sign.*
			8895 Change in uncollected customer payments from Federal sources (unexpired) *Equals the amounts on line 7400, but with the opposite sign.*
			7410 Change in uncollected customer payments from Federal sources (expired)
18. Obligated balance, net, end of period:			
A. Unpaid obligations (+)			
B. Uncollected customer payments from Federal sources (-)			7440 Obligated balance, end of year

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
NET OUTLAYS			
19. Net outlays:			
A. Gross outlays (+)..			8690 Outlays from new discretionary authority 8693 Outlays from discretionary balances 8697 Outlays from new mandatory authority 8698 Outlays from mandatory balances *Also equals the amount on line 7320 Total outlays (gross), but with the opposite sign.*
B. Offsetting collections (-)..			*Offsetting collections (cash) from:* 8800 Federal sources 8820 Interest on Federal securities 8825 Interest on uninvested funds 8840 Non-Federal sources 8845 Offsetting governmental collections (from non-Federal sources) *These SF 133 and P&F lines will be equal with opposite signs.*
			8896 Portion of offsetting collections (cash) credited to expired accounts

Trust Fund (or Special Fund) with Collections Precluded from Obligation

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
BUREAU: Program benefits trust fund	80X8000 Payment of benefits		
DESCRIPTION	Dec. 31 SF 133	Jun. 30 SF 133	Sept. 30 SF 133
BUDGETARY RESOURCES			
1. Unobligated balance:			
A. Brought forward, October 1 (+ or -)			
B. Adjustment to unobligated balance brought forward , October 1 (+ or -)			
2. Recoveries of prior year unpaid obligations:			
A. Actual			
B. Anticipated			
3. Budget authority:			
A. Appropriation:			
1. Actual	70,000	150,000	160,000
2. Anticipated	120,000	40,000	
B. Borrowing authority			
C. Contract authority			
D. Spending authority from offsetting collections (gross):			
1. Earned:			
a. Collected			
b. Change in receivables from Federal sources			
2. Change in unfilled customer orders (+ or -):			
a. Advance received			
b. Without advance from Federal sources			
3. Anticipated for rest of year			
4. Previously unavailable			
5. Expenditure transfers from trust funds:			
a. Collected			
b. Change in receivables from trust funds			
c. Anticipated			
4. Nonexpenditure transfers, net:			
A. Actual transfers, budget authority (+ or -)			
B. Anticipated transfers, budget authority (+ or -)			
C. Actual transfers, unobligated balances (+ or -)			
D. Anticipated transfers, unobligated balances (+ or -)			
5. Temporarily not available pursuant to Public Law 1XX-123 (-)			-40,000
6. Permanently not available:			
A. Cancellations of expired and no-year accounts (-)			
B. Enacted reductions (-)			
C. Capital transfers and redemption of debt (-)			
D. Other authority withdrawn (-)			
E. Pursuant to Public Law___________ (-)			
F. Anticipated rest of year (+ or -)			
7. Total budgetary resources	190,000	190,000	120,000

Includes $30 thousand apportioned (see exhibit 121P) of prior year collections plus $40 thousand collected in December).

Includes $40 thousand to be collected in March, June, and September.

Includes only new collections. Prior year collections are not needed to incur obligations and therefore are not shown as an appropriation.

No anticipated amounts are shown on line 3A2.

Include amounts of budgetary resources in excess of apportioned amounts on line 10C. If the account is exempt from apportionment, include amounts in excess of obligations on line 9B1.

Excess of new collections over obligations.

Total budgetary resources equal obligations on line 8 on the September 30 SF 133.

To save space, this exhibit does not display lines below line 7.

Generally applies to indefinite appropriations. If your agency has a Treasury Appropriation Fund Symbol with a definite appropriation, contact your OMB representative.

General Principles:

Under scoring rules established under the Budget Enforcement Act (BEA), collections made available pursuant to law are shown as appropriations (line 3A of the SF 132 and the SF 133). Amounts not needed to cover obligations are subtracted on line 5.

For the September 30 SF 133, prior year collections are not shown unless current year collections are less than amounts needed to incur obligations. This will assure that the actual column in the Budget, derived from the same data as the SF 133, will reflect the scoring required by the BEA.

Assumptions for this example:

Total annual benefit payments are $120 thousand ($10 thousand each month).

Total annual revenue is $160 thousand. $40 thousand is received in December, March, June, and September.

Pursuant to law, obligations may be made only for payment of benefits.

Accumulated, unused collections from prior years equal $750 thousand on October 1st of the fiscal year.

Relationship between Selected SF 133 and Program and Financing Schedule Lines (in millions of dollars)

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government — APPROPRIATION OR FUND TITLE AND SYMBOL

BUREAU: Government Bureau — 80Y0123 Salaries and expenses

	FY 2008 Unexpired Account	FY 2007 Expired Account	Total
BUDGETARY RESOURCES			
3. Budget authority			
A. Appropriation:			
1. Actual	717		717
2. Anticipated			
B. Spending authority from offsetting collections (gross):			
1. Earned:			
a. Collected	92	6	98
b. Change in receivables from Federal sources	3	-3	
2. Change in unfilled customer orders (+ or -):			
a. Advance received	5	2	7
b. Without advance from Federal sources	7	-4	3
7. Total budgetary resources	824	1	825
STATUS OF BUDGETARY RESOURCES			
8. Obligations incurred:			
A. Direct:			
1. Category A	21		21
2. Category B: Research	79		79
2. Category B: Development of products	607		607
3. Exempt from apportionment			
B. Reimbursable:			
1. Category A	107		107
2. Category B [program 1]			
3. Exempt from apportionment			
9. Unobligated balance:			
A. Apportioned:			
1. Balance, currently available	10		10
10. Unobligated balance:			
C. Other		1	1
11. Total status of budgetary resources	824	1	825
CHANGE IN OBLIGATED BALANCES			
12. Obligated balance, net:		45	45
A. Unpaid obligations, brought forward, October 1 (+)			
B. Uncollected customer payments from Federal sources, brought forward, October 1 (-)			
13. Obligations incurred (+)	814	0	814
14. Gross outlays (-)	-740	-33	-773
17. Change in uncollected customer payments from Federal sources	-10	7	-3
18. Obligated balance, net, end of period:			
A. Unpaid obligations (+)	-6	-1	-7
B. Uncollected customer payments from Federal sources (-)	-4	-6	-10
C. Undelivered orders (+)	54	22	76
D. Accounts payable (+)	20	4	24
NET OUTLAYS			
19. Net outlays:			
A. Gross outlays (+)	740	33	773
B. Offsetting collections (-)	-97	-8	-105

NOTE: Line 3A1, P.L. 1XX-123.

_______________ _______
(Authorized Officer) (Date)

(Preparer: Name)_________________
(Address) _________________
(Phone number) __________________

To calculate P&F schedule line 5800 Spending authority from offsetting collections (cash), take SF 133 line add SF 133 line 3B1a plus SF 133 line 3B2a. [92 + 5 = 97]

To calculate P&F schedule line 5810 Change in uncollected customer payments from Federal sources (unexpired), add SF 133 line 3B1b plus SF 133 line 3B2b. [3 + 7 = 10]

To calculate P&F schedule line 8895 Change in uncollected customer payments from Federal sources (unexpired) as it appears in the Budget Appendix, take line P5810 and change the sign. [-10]

To calculate P&F schedule line 7400 Change in uncollected customer payments from Federal sources (unexpired), take SF 133 line 17 (unexpired only) [-10]

To calculate P&F schedule line 7410 Change in uncollected customer payments from Federal sources (expired), take SF 133 line 17 (expired only) [7]

To calculate P&F schedule lines 8800 through P8845 Offsetting collections (cash) as it appears in the Budget Appendix, take SF 133 line 19B (unexpired and expired). [-97 + -8 = -105]

To calculate P&F schedule line 8896 Offsetting collections (cash) credited to expired accounts as it appears in the Budget Appendix, take SF 133 line 19B (expired only) and change the sign. [8]

Relationship between Selected SF 133 and Program and Financing Schedule Lines -- Continued (in millions of dollars)

Budget Program and Financing Schedule

		Identification code: 80-0123-0-1-350	Budget Appendix PY actual	MAX Schedule P PY actual
		Obligations by program activity:		
		Direct program:		
Unexpired	0001	Research	100	
Unexpired	0002	Development of products	607	
Unexpired	0901	Reimbursable program	107	
Unexpired	1000	Total new obligations	814	
		Budgetary resources available for obligation:		
Unexpired	2200	New budget authority (gross)	824	
Unexpired	2390	Total budgetary resources available for obligation	824	
Unexpired	2395	Total new obligations	-814	
Unexpired	2398	Unobligated balance expiring or withdrawn (-)	-10	
		New budget authority (gross), detail:		
		Appropriation		
		Discretionary:		
Unexpired	4000	Appropriation	717	
		Spending authority from offsetting collections:		
Unexpired	5800	Offsetting collections (cash)	97	
Unexpired	5810	Change in uncollected customer payments from Federal sources [*unexpired*]	10	
Unexpired	5890	Spending authority from offsetting collections (total)	107	
Unexpired	7000	Total new budget authority (gross)	824	
		Change in obligated balances:		
Unexpired and Expired	7240	Obligated balance, start of year [*unexpired and expired*]	45	
Unexpired and Expired	7310	Total new obligations (unexpired)	814	
Unexpired and Expired	7320	Total outlays (gross) (-) (unexpired and expired)	-773	
Unexpired and Expired	7400	Change in uncollected customer payments from Federal sources (unexpired)	-10	
Unexpired and Expired	7410	Change in uncollected customer payments from Federal sources (expired)	7	
Unexpired and Expired	7440	Obligated balance, end of year [*unexpired and expired*]	83	
		Outlays (gross), detail (unexpired and expired):		
Unexpired and Expired	8690	Outlays from new discretionary authority	740	
Unexpired and Expired	8693	Outlays from discretionary balances	33	
Unexpired and Expired	8700	Total outlays (gross)	773	
		Offsets:		
		Against gross authority and outlays:		
		Offsetting collections (cash) from:		
	8800	Federal sources [*unexpired and expired*]	-105	105
		Against gross budget authority only:		
	8895	Change in uncollected customer payments from Federal sources (unexpired)	-10	10
	8896	Portion of offsetting collections (cash) credited to expired accounts	8	-8
		Net budget authority and outlays:		
	8900	Budget authority (net)	717	
	9000	Outlays (net)	668	

Relationship between Selected SF 133 and Program and Financing Schedule Lines -- Continued (in millions of dollars)

Budget Program and Financing Schedule

Identification code: 80-0123-0-1-350		Budget Appendix PY actual	MAX Schedule P PY actual
	Obligations by program activity:		
	Direct program:		
0001	Research	100	
0002	Development of products	607	
0901	Reimbursable program	107	
1000	Total new obligations	814	
	Budgetary resources available for obligation:		
2200	New budget authority (gross)	824	
2390	Total budgetary resources available for obligation	824	
2395	Total new obligations	-814	
2398	Unobligated balance expiring or withdrawn (-)	-10	
	New budget authority (gross), detail:		
	Appropriation		
	Discretionary:		
4000	Appropriation	717	
	Spending authority from offsetting collections:		
5800	Offsetting collections (cash)	97	
6810	Change in uncollected customer payments from Federal sources [*unexpired*]	10	
5890	Spending authority from offsetting collections (total)	107	
7000	Total new budget authority (gross)	824	
	Change in obligated balances:		
7240	Obligated balance, start of year [*unexpired and expired*]	45	
7310	Total new obligations (unexpired)	814	
7320	Total outlays (gross) (-) (unexpired and expired)	-773	
7400	Change in uncollected customer payments from Federal sources (unexpired)	-10	
7410	Change in uncollected customer payments from Federal sources (expired)	7	
7440	Obligated balance, end of year [*unexpired and expired*]	83	
	Outlays (gross), detail (unexpired and expired):		
8690	Outlays from new discretionary authority	740	
8693	Outlays from discretionary balances	33	
8700	Total outlays (gross)	773	
	Offsets:		
	Against gross authority and outlays:		
	Offsetting collections (cash) from:		
8800	Federal sources [*unexpired and expired*]	-105	105
	Against gross budget authority only:		
8895	Change in uncollected customer payments from Federal sources (unexpired)	-10	10
8896	Portion of offsetting collections (cash) credited to expired accounts	8	-8
	Net budget authority and outlays:		
8900	Budget authority (net)	717	
9000	Outlays (net)	668	

Separately identify new obligations by significant activity, as appropriate. Report obligations funded by reimbursements separately on lines coded 09XX. Report all obligations in noncredit revolving funds as reimbursable on lines 09XX.

Direct and reimbursable obligations in unexpired account. This line equals P&F schedule lines 0001 through 0999.

Equals SF 133 line 19B for the unexpired only and change the sign.

Equals SF 133 lines 3B1b plus 3B2b unexpired only.

Spending authority from offsetting collections (total) in unexpired account. This line is calculated by adding P&F schedule lines 5800 through 5885.

Expired and unexpired obligated balance, net.

Equals to the sum of the amounts on Lines 5810 and 6910, but with the opposite sign.
OR
Equals SF 133 line17 unexpired only.

Equals SF 133 line 17 expired only.

This is the amount of accounts payable plus undelivered orders minus the amount of accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources.

Separately identify cash collections and the change in uncollected customer payments from Federal sources.

Same as P&F schedule lines 5810 and 6910 with the opposite sign.

Same as P&F schedule lines 5810 and 6910.

To calculate, take SF 133 line 19B for the expired only.

Net BA is the amount available for new obligation net of the offsetting collections attributable to unexpired offsets. This is equal to Gross BA minus collections from Federal sources plus change in uncollected customer payments (unexpired).

Net Outlays is equal to Gross Outlays minus collections from Federal sources.

To calculate, take SF 133 line 19B for the expired only with the opposite sign.

Appropriation Reduced by Offsetting Collections and Receipts

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government

BUREAU: Government Bureau

APPROPRIATION OR FUND TITLE AND SYMBOL

80Y0123 Salaries and expenses

	Dec. 31 SF 133 Unexpired Account	Jun. 30 SF 133 Unexpired	Sept. 30 SF 133 Unexpired
BUDGETARY RESOURCES			
1. Unobligated balance:			
A. Brought forward, October 1 (+ or -).			
3. Budget authority:			
A. Appropriation:			
1. Actual	65,000,000	19,250,000	4,000,000
D. Spending authority from offsetting collections (gross):			
1. Earned:			
a. Collected		45,750,000	61,000,000
b. Change in receivables from Federal sources			
2. Change in unfilled customer orders (+ or -):			
a. Advance received			
b. Without advance from Federal sources			
3. Anticipated for rest of year	65,000,000	19,250,000	
5. Temporarily not available pursuant to Public Law 1XX-123 (-)	-65,000,000	-19,250,000	
7. Total budgetary resources	65,000,000	65,000,000	65,000,000
STATUS OF BUDGETARY RESOURCES			
8. Obligations incurred:			
A. Direct:			
1. Category A	16,350,000	49,050,000	64,688,000
2. Category B [program 1]			
B. Reimbursable:			
1. Category A			
2. Category B [program 1]			
a. Research			
b. Development of products			
9. Unobligated balance:			
A. Apportioned:			
1. Balance, currently available	48,650,000	15,950,000	312,000
10. Unobligated balance:			
C. Other			
11. Total status of budgetary resources	65,000,000	65,000,000	65,000,000
CHANGE IN OBLIGATED BALANCES			
12. Obligated balance, net, start of year:			
A. Unpaid obligations, start of year:			
1. Unpaid obligations, brought forward, October 1 (+)			
B. Uncollected customer payments from Federal sources, start of year:			
1. Uncollected customer payments from Federal sources, brought forward, October 1 (-			
13. Obligations incurred (+)	16,350,000	49,050,000	64,688,000
14. Gross outlays (-)	-16,210,000	-49,010,000	-64,675,000
18. Obligated balance, net, end of period:			
A. Unpaid obligations (+)	140,000	40,000	13,000
B. Uncollected customer payments from Federal sources (-)			
NET OUTLAYS			
19. Net outlays:			
A. Gross outlays (+)	16,210,000	49,010,000	64,675,000
B. Offsetting collections (-)		-45,750,000	-61,000,000

For the first three quarters, use line 5 to reduce the total budgetary resources by the aniticipated amount of collections whether credited to the expenditure account or deposited to a receipt account.

Since the amount appropriated 65,000,000 is initially derived from the General Fund of the U.S. Treasury, this mechanism is necessary in order to avoid double counting the total budgetary resources.

The amount appropriated 65,000,000 is reduced by the amount of actual offsetting collections 61,000,000 received during the fiscal year so as to result in a final fiscal year appropriation of 4,000,000. The amount derived from the General Fund of the U.S. Treasury 65,000,000 should be reduced by the amount of actual offsetting collections 61,000,000 received during the fiscal year on the September 30 SF 133.

The amount appropriated is reduced by an amount of collections whether credited to an expenditure account or deposited to a receipt account.

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

NOTE: Line 3A1, P.L. 1XX-123.

______________ _______

(Authorized Officer) (Date)

(Preparer: Name)_________________

(Address) _________________

(Phone number) __________________

SECTION 135—PROCEDURES FOR MONITORING FEDERAL OUTLAYS

Table of Contents

Summary of Changes

Adds Federal Crop Insurance Fund in the Department of Agriculture, Troubled Asset Relief Program and Housing and Economic Recovery Programs in the Department of the Treasury, and National Credit Union Administration to Exhibit 135A.

135.1 What is the purpose for these procedures?

Cabinet departments and certain agencies submit reports on Federal outlays to assist in the monitoring of spending and to improve Treasury Department forecasts of the Government's daily cash operating balances, borrowing requirements, and debt subject to legal limits, including trust and special fund investment activity. Realistic estimates, particularly for the immediate six-month period, enable Treasury to borrow only amounts needed to finance Government activities, thus reducing interest costs and overall cash balances maintained in the Treasury.

OMB needs reports on Federal outlays to monitor the deficit/surplus and to assess the reliability of each agency's financial management system. Reports are also used by Treasury for its monthly review of "Statement of Transactions" (FMS 224 and FMS 1220) reporting, prior to publication of the *Monthly Treasury Statement of Receipts and Outlays of the U.S. Government (MTS)*, and for periodic evaluations of the accuracy of the reports. These plans must be as accurate as possible—an inability to forecast spending with reasonable accuracy can be a weakness in program and financial management. Problems of this nature need the attention of OMB and the agencies alike.

135.2 Who is required to submit a plan?

If your department or agency is listed in exhibit 135A, prepare a monthly outlay plan for the current and budget years as required by OMB and Treasury and submit periodic reports on and revisions to that plan. Coverage of the reports should be identical to the coverage in the annual budget documents and should include outlay information for all appropriations and funds administered by your department or agency. OMB and/or Treasury may require a forecast of deposit fund activity for specific agencies and will notify you of this requirement.

OMB and Treasury have implemented a web-based system for collecting monthly outlay plan information, which can be found at https://max.omb.gov/mop. The historical database of outlay plan information that results from this effort can improve outlay forecasting abilities government-wide.

The system will preload and display actual outlays reported in the MTS and full fiscal year estimates from the most recent Budget or Mid-Session Review. Please reconcile any discrepancies between this data in the system and the data you expect with your OMB contact. Agencies should then enter estimates of expected outlays for months where actual outlays are not yet available.

135.3 What are the general reporting requirements?

Base estimates on your best current judgment of the amount to be spent by month in the period(s) covered by the report. Use the President's most recent annual budget or Mid-Session Review estimates as a base, but update those estimates to reflect subsequent actions of the Congress, including both completed actions and those that are almost certain to be completed. Also reflect recent trends and expected events on a realistic basis.

Budget and Mid-Session Review estimates serve as reference points only, not as targeted fiscal year totals. <u>Do not force</u> estimated monthly totals to conform to the Budget or Mid-Session totals, but reflect your best information at the time the forecast is prepared. Accordingly, if realistic estimates yield differences between agency and official estimates, knowing this difference is critical to Treasury's general financing requirements and medium and long-term planning. The format for agency reports (Exhibits 135B, 135C, 135D, and 135E) includes columns for "OMB estimates" and "Differences" that will highlight changes from the most recent official estimates.

Between submission dates, you should provide updated plans to OMB and Treasury whenever there are significant changes in agency outlay totals ($500 million or more), large transactions ($50 million or more), or patterns (such as those that may be associated with an unanticipated increase in claims for an entitlement program or a change in the timing or amount of upward or downward credit re-estimates between budgetary subsidy and non-budgetary financing accounts). You should also cooperate with OMB and Treasury by providing additional details as requested.

You must submit with each outlay report a brief summary explaining the assumptions used in developing the outlay plan and any unusual or special circumstances affecting the plan. The summary is instrumental in Treasury's assessment of the reliability of the estimates and must be included with all outlay report submittals. The summary will, for example, enumerate expected Congressional actions that will raise or lower estimates, discuss any other events that have caused or are expected to cause significant fluctuations in the normal outlay pattern, and specify whether they have been included or excluded from the plan. Summaries are to be uploaded as attachments in the web-based system. A comment added to the plan in the system can be used in place of the summary in cases where the estimates are exclusively based on historical patterns and not on economic/legislative assumptions.

135.4 What are the reporting requirements for large transactions?

You must identify large ($50 million or more) *cash* and *non-cash* payment and deposit transactions. "Large transaction" refers to a single payment or deposit or a *group* of payments or deposits of a similar nature that occur, *typically*, on one day. Large transactions may be recurring, i.e., monthly, quarterly, semi-annual, or annual. Cash transactions result in a decrease or increase in Treasury's operating cash balance. Non-cash transactions are typically transfers between general fund and trust fund, deposit fund, or financing accounts.

List large transactions in a separate spreadsheet or footnote the transaction in the investment account or financing account report. Exhibit 135B provides examples of how the following information should be presented:

- Description of payment or deposit;
- Appropriation account symbol;
- MTS line code;
- Dollar amount(s);
- Assumed date of transaction;
- Agency contact;
- Telephone number; and
- E-mail address.

The point of contact for a large transaction should be the individual who is responsible for ensuring that Treasury is informed *between submission dates* of revisions to dollar amount, transaction date, or any special circumstances related to the transaction. This individual is typically in your program and/or finance office.

In order to improve Treasury's ability to manage the Government's daily cash position and to make more informed financing decisions, all agency financial officers are required to provide advance notice of all large cash deposits and withdrawals. (See Financial Management Service's *Treasury Financial Manual* (TFM), Volume 1, Part 6, Chapter 8500, available at http://www.fms.treas.gov/.) The amount of advance notice varies from two to five business days or more prior to the transaction date, depending on the size of the transaction. For further information regarding TFM Chapter 8500, contact the Cash Forecasting Division, Financial Management Service, Department of the Treasury, (202) 874–9790. Additionally, Treasury's Office of the Fiscal Assistant Secretary (OFAS)/Office of Fiscal Projections (OFP) must be notified of all large transactions that have a high probability of occurrence, even if not yet finalized. Association with other Treasury units does not replace the requirement of separate notification to OFAS by the agencies (outlays@do.treas.gov or 202–622–0580).

Selected examples of large transactions:

- Agency for International Development:
  - Economic support fund payments
  - Economic assistance loans, repayments

- Agriculture:
  - Federal Crop Insurance Corporation Fund—Premium collections
  - Forest Service—Payments to States
  - Commodity Credit Corporation—Export Guarantee Program

- Defense—Military:
  - International restoration payments and receipts

- Defense Security Cooperation Agency:
  - Foreign military financing program

- Interior:
  - Bureau of Land Management—
    Oregon and California Grant Lands payments
    Payments in lieu of taxes
  - Bureau of Reclamations
  - Minerals Management Service
  - Insular Affairs

- Treasury:
  - Presidential Election Campaign Fund disbursements
  - Payment REFCORP
  - Credit Reform Interest
  - Lend Lease Agreements
  - Comptroller of the Currency—Assessment collections
  - Office of Thrift Supervision—Assessment collections

135.5 What are the requirements for investment account reporting?

Departments that administer major investment accounts are required to submit reports of investment account income and outgo in the format of Exhibit 135C. Reports are required for the following investment accounts:

- Health and Human Services:
  - Federal hospital insurance trust fund
  - Federal supplementary medical insurance trust fund

- Housing and Urban Development:
  - Mutual mortgage and cooperative housing insurance fund liquidating account

- Labor:
  - Unemployment trust fund
  - Pension Benefit Guaranty Corporation fund

- State:
  - Foreign Service retirement and disability fund

- Transportation:
  - Highway trust fund
  - Airport and airway trust fund

- Environmental Protection Agency:
  - Hazardous substance superfund

- Other Defense Civil Programs:
  - Military retirement fund
  - Uniformed services retiree health care fund

- Office of Personnel Management:
  - Civil Service retirement and disability fund
  - Federal employees health insurance fund
  - Federal employees life insurance fund

- Social Security Administration:
  - Federal old-age and survivors insurance trust fund
  - Federal disability insurance trust fund

- Railroad Retirement Board:
  - Railroad retirement accounts—
    Rail industry pension fund
    National railroad retirement investment trust
    Supplemental annuity pension fund
    Railroad Social Security equivalent benefit account

135.6 What are the requirements for credit financing account reporting?

All departments and agencies that administer financing accounts are required to report estimated and actual monthly net disbursements for all accounts as an attachment to the monthly outlay plan application.

The following agencies also are required to submit detailed financing account reports in the format of exhibit 135D for the specified accounts:

- Education:
  - Direct student loans
  - Federal family education loans
- Export-Import Bank:
  - Direct loan financing account
  - Guaranteed loan financing account

- Federal Communications Commission:
  - Spectrum auction direct loan financing account

- Housing and Urban Development:
  - FHA—General and special risk guaranteed loan financing account
  - FHA—Mutual mortgage insurance guaranteed loan financing account

- Small Business Administration:
  - Business guaranteed loan financing account
  - Business direct loan financing account
  - Disaster direct loan financing account

- Veterans Affairs:
  - Direct loan financing account
  - Guaranteed loan financing account

Include significant activities as shown in the Budget *Appendix* Program and financing schedules in your detailed financing account reports.

Estimate monthly totals for non-Federal transactions such as:

- Cash loan disbursements
- Cash collections for loan repayments
- Net cash proceeds of asset sales

Forecast all non-cash transactions between:

- Credit financing accounts
- Credit liquidating, subsidy, governmental receipt, and Treasury interest accounts

Specify whether the timing for such transactions is monthly, quarterly, semiannually, or annually. Include the best available estimate of the dollar amount in the month or months during which you expect the transaction to be processed.

Actual data for credit financing accounts.—As discussed in section 135.9 below, the *Monthly Treasury Statement* (*MTS*) is the source of actual data for outlay plans. However, the *MTS* and the FMS 224 reports may not provide the activity detail necessary for detailed financing account forecasting. Agency budget and accounting areas are expected to develop internal agency procedures that will produce the detail required for the plans.

Sales of loans.—In general, cash proceeds from sales of loans are now being credited to non-budgetary financing accounts instead of to budgetary liquidating accounts. Exhibit 135D reflects the financing account presentation for loan sale proceeds. Detailed reporting for individual asset sales is required by Treasury offices under asset sale reporting (section 135.7) below.

Reporting format.—Show both financing accounts and corresponding liquidating and/or subsidy (program) accounts on the report.

You must show activities as shown in the Budget *Appendix* (see section 185.10 for a description of the requirements for program accounts and section 185.11 for a description of the requirements for financing accounts) in order to:

- Improve Treasury's cash forecasting by identifying non-cash transactions and ensuring consistent treatment on "both sides" of the transaction, i.e., the same amount and timing for both budgetary and non-budgetary credit account entries.

- Ensure the integrity of the *MTS*, the Federal Government's monthly budget report. Treasury will use financing account reports to review and monitor the agency Statement of Transactions (FMS 224) reports, prior to publication of the *MTS*.

Forecasting methodology.—For financing account reports:

- Non-cash transactions between financing and (1) liquidating or subsidy accounts, or (2) Treasury interest accounts must reflect the best available dollar amount estimate, and timing must be based on actual due dates or past experience with the timing of the payments.

- If actual experience supports the method, you may estimate monthly amounts for some categories, such as loan disbursements and repayments, by pro-rating the estimated fiscal year total, based on recent monthly patterns.

135.7 What are the requirements for asset sale reporting?

Departments and agencies that conduct sales of assets are required to submit forecast reports in the format of exhibit 135E. A report must be submitted for each sale included in the agency report on outlays (exhibit 135B) or financing account report (exhibit 135D). Asset sale reporting is also required by TFM Volume I, Part 6, Chapter 8500. Asset sales are typically large dollar transactions ($50 million or more), for which advance notification must be provided to Treasury. The same reporting form, exhibit 135E, is to be used for both outlay plans and large dollar reporting to Treasury.

Between submissions, the original report for each individual sale is to be updated by the agency and provided to Treasury offices as soon as new estimated and/or actual information is available, until the sale has been completed. Agency and OMB estimates provided for Treasury's budget, cash, and debt forecasting purposes are considered highly confidential and for internal Treasury use only. If unusual circumstances call for disclosure of additional detail, the estimates are characterized as Treasury Department estimates and not attributed to OMB or the agency.

Departments and agencies that currently must submit detailed asset sale reports are listed below:

- Federal Communications Commission
- Federal Housing Administration (HUD)
- Minerals Management Service (Interior)
- Small Business Administration
- Veterans Affairs

Other departments or agencies should be prepared to provide asset sale reports and timely, on-going updates if asset sale transactions are assumed in their official OMB estimates.

135.8 What are the responsibilities of OMB and the Treasury Department?

Both OMB and Treasury will review the agency outlay plans for reasonableness in the light of experience, consistency with the President's policies and objectives, enacted appropriations and other legislation, and other factors. When circumstances warrant, OMB and/or Treasury may require you to make revisions in the outlay plans.

135.9 When do I submit reports?

Submit the initial report to OMB and Treasury (Office of the Fiscal Assistant Secretary/Office of Fiscal Projections) simultaneously based on the timing of the transmittal of the Budget in the format of exhibits 135B, 135C, and 135D, as applicable. The report provides monthly outlay estimates for the budget year. Updated reports are due throughout the current year, with coverage expanded to include estimates for the subsequent budget year as shown below.

Use the *MTS* (available at http://www.fms.treas.gov/) as the source of actual data reported. However, it should be noted that the published *MTS* is subject to prior-month revisions for back-dated transactions. Such revisions will affect both a prior month (or months) and the published "Current Fiscal Year to Date" amounts shown in *MTS* Table 5. The automated collection application (https://max.omb.gov/mop) will load actual data as reported by the *MTS* for all months available. **It is imperative that actual data reflect amounts reported by the agency and recorded in the *MTS*.** Differences between actual data in the application and actual data reported in the *MTS* should be reconciled with your OMB contact. The actual data should be followed by updated monthly outlay estimates for the balance of the period(s). Reports are due to OMB and to Treasury through the automated collection application as shown in the accompanying table. From time-to-time, it may be necessary for Treasury to request the reports in advance of this time line in order to meet its internal cash and debt forecasting requirements.

Reports due by	**Monthly outlay actual required for the period** [1]	**Monthly outlays estimates required for the period**
October 1st (current year). (Explain differences from latest public estimate.) [2]	—	October through September (current year).
Early-to mid January, to be specified by Treasury and OMB. (Explain differences from the current year amounts contained in the MSR.)	October through December (current year).	January through September (current year). October through September (budget year).
Early-to mid-April, to be specified by Treasury and OMB. (Explain differences from the current year amounts contained in the Budget.)	October through March (current year).	April through September (current year). October through September (budget year).
As specified by Treasury and OMB, based on the timing of the Mid-Session Review of the budget update (current year). (Explain differences from current year amounts contained in the Budget.)	October through May (current year).	June through September (current year). October through September (budget year).

[1] The system will preload MTS data for actual outlays before the system opens for agency use. Agencies should enter MTS data that becomes available after the system opens for agency use. When the plans are due before MTS data becomes available, agencies should enter the best possible estimate of actual outlays.

[2] Normally, the latest public estimate will be that in the most recent Mid-Session Review of the President's Budget. Reconcile significant differences between previously reported estimated outlays and revised estimates or actual outlays and explain these changes in the accompanying statements. Additional updated reports may be requested at other times to better accommodate and support Treasury's quarterly borrowing announcements.

Reports on Outlays—Agency and Program Coverage

Department of Agriculture: [1]
- Farm Service Agency:
  - Commodity Credit Corporation
  - All other
- Federal Crop Insurance Corporation
- Foreign Agricultural Service
- Food and Nutrition Service:
  - Food stamp program
  - Child nutrition programs
  - All other
- Forest Service
- All other
- Deductions for offsetting receipts (-)
  - Total, Department of Agriculture

Department of Commerce

Department of Defense, Military:
- Military personnel
- Operation and maintenance
- Procurement
- Research, development, test, and evaluation
- Military construction
- Family housing
- Revolving and management funds
- All other
  - Total, Department of Defense

Department of Education:
- Elementary and secondary education:
  - Education for the Disadvantaged
  - All other
- Special Education and Rehabilitative Services:
  - Special Education
  - All other
- Postsecondary education
- Federal Student Aid:
  - Student financial assistance
  - All other
- All other
  - Total, Department of Education

Department of Energy:
- National Nuclear Security Administration
- Environmental and other defense activities
- Energy programs
- All other
  - Total, Department of Energy

Department of Health and Human Services:
- Public Health Service
  - National Institutes of Health
  - Indian Health Service
  - All other
- Centers for Medicare and Medicaid Services:
  - Grants to States for Medicaid
  - Payment to health care trust funds
  - Federal hospital insurance trust fund
  - Children's health insurance program
  - Federal supplementary medical insurance trust fund
  - Health care fraud and abuse control
  - Medicare Prescription Drugs
  - All other
- Administration for Children and Families:
  - Temporary Assistance for Needy Families
  - Child support enforcement
  - Low income home energy assistance
  - Social services block grant
  - All other
- All other
- Deductions for offsetting receipts (-)
  - Total, Department of Health and Human Services

Department of Homeland Security: [1]
- Citizenship and Immigration Services
- United States Secret Service
- Transportation Security Administration
- Immigration and customs
- Customs and border protection
- United States Coast Guard
- Federal Emergency Management Administration:
  - Disaster relief
  - National flood insurance fund
  - All other
- All other
- Proprietary receipts from the public
- Deductions for offsetting receipts (-)
  - Total, Department of Homeland Security

Department of Housing and Urban Development: [1]
- Public and Indian Housing Programs:
  - Tenant-based rental assistance
  - Housing certificate fund
  - All other
- Community development fund
- Federal Housing Administration credit accounts
- Offsetting receipts, FHA credit accounts (-)
- All other
  - Total, Department of Housing and Urban Development

Department of the Interior: [3]
- Bureau of Land Management
- Minerals Management Service
- Office of Surface Mining and Enforcement
- Bureau of Reclamation
- Bureau of Indian Affairs
- Office of Insular Affairs
- All other
- Deductions for offsetting receipts (-)
  - Total, Department of the Interior

Department of Justice:
- Federal Bureau of Investigation
- Federal Prison System
- All other
  - Total, Department of Justice

Department of Labor:
- Pension Benefit Guaranty Corporation
- Training and employment services
- Unemployment trust fund
- Black lung disability trust fund
- All other
- Deductions for offsetting receipts (-)
  - Total, Department of Labor

Department of State and Other International Programs:
- Department of State
- International security assistance:
  - Foreign military loan program
  - Foreign military financing program
  - Economic support fund
  - All other
- Multilateral assistance:
  - Contribution to the International Development Association
  - International organizations and programs
  - Deductions for offsetting receipts (-) and all other
- International Development Assistance:
  - Agency for International Development:
    - Economic assistance loans
    - All other
  - All other
- Military sales programs:
  - Foreign military sales trust fund outlays
  - Foreign military sales trust fund proprietary receipts

Department of Transportation:
- Federal Aviation Administration
- Federal Highway Administration
- Federal Railroad Administration
- Federal Transit Administration
- All other
  - Total, Department of Transportation

Reports on Outlays—Agency and Program Coverage—Continued

Department of the Treasury:
- Exchange Stabilization Fund
- Troubled Asset Relief Program
- Housing and Economic Recovery Programs
- Financial Management Service
- Other Departmental Offices
- Federal Financing Bank
- BATF: Salaries and Expenses and Lab Facilities
- Internal Revenue Collections for Puerto Rico
- Bureau of Engraving and Printing
- United States Mint
- Bureau of the Public Debt
- Internal Revenue Service:
  - Earned income tax credit (outlay portion)
  - Child tax credit (outlay portion)
  - Interest
  - All other
- Comptroller of the Currency
- Office of Thrift Supervision
- Interest on the Public Debt
- All other
- Deductions for offsetting receipts (-)
  - Total, Department of the Treasury

Department of Veterans Affairs:[1]
- Medical care
- Compensation and pensions
- Readjustment benefits
- Insurance trust funds (both revolving and nonrevolving)
- All other
- Deductions for offsetting receipts (-)
  - Total, Department of Veterans Affairs

Corps of Engineers

Other Defense Civil Programs:[2]
- Military Retirement
- Uniformed services retiree health
- All other

Environmental Protection Agency

Executive Office of the President

General Services Administration:

National Aeronautics and Space Administration

National Science Foundation

Office of Personnel Management:
- Civil Service retirement and disability fund
- Employee life insurance trust fund
- Other trust funds
- Postal Service contributions
- All other
  - Total, Office of Personnel Management

Small Business Administration[1]

Social Security Administration:
- Payment to social security trust funds
- Supplemental security income
- Federal old-age and survivors insurance trust fund
- Federal disability insurance trust fund
- All other
- Deductions for offsetting receipts (-)
  - Total, Social Security Administration

Corporation for Public Broadcasting

District of Columbia Courts

Export-Import Bank[1]

Federal Communications Commission
- Universal Service Fund
- Spectrum Auction Program Account
- All other
  - Total, FCC

Federal Deposit Insurance Corporation:
- Deposit Insurance Fund
- FSLIC Resolution Fund (including RTC)
- All other
  - Total, FDIC

National Credit Union Administration

Postal Service[4]
- Public Enterprise Funds
- Payment to the Postal Service Funds

Railroad Retirement Board
- Federal Windfall subsidy
- Benefit Payments
- Administrative expenses
- All other
  - Total, RRB

Tennessee Valley Authority

Rents and royalties on Outer Continental Shelf (Interior)

Spectrum auction receipts (Federal Communications Commission)

[1] Provide as a separate entry for monthly outlay amounts for sales of loans to the open market by attaching a spreadsheet to the application. Net cash proceeds of the sale should be reported.

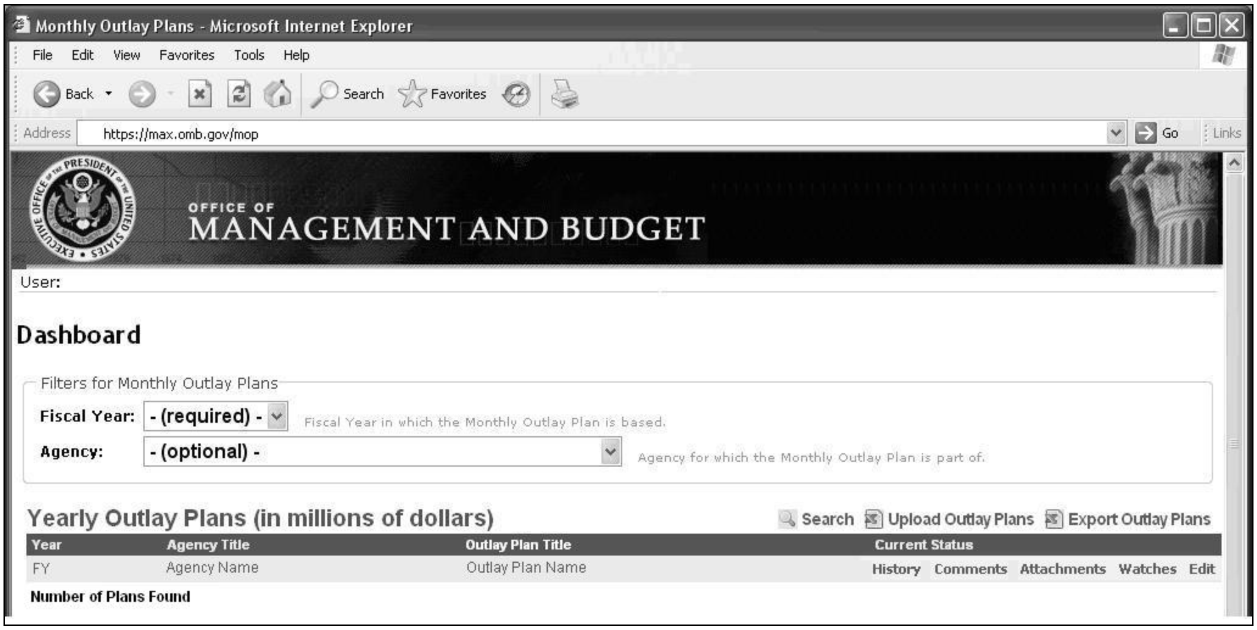
[2] Military retirement also reports receipts collected by them for employer share, employee retirement and health receipts.

[3] Interior also reports the outlays for rents and royalties on Outer Continental Shelf

[4] Postal Service also reports memorandum items for Workers Compensation to the Department of Labor and Payments to OPM Retiree Health Benefits per P.L. 109-435 by attaching a spreadsheet to the application.

Report on Outlays—Initial Report

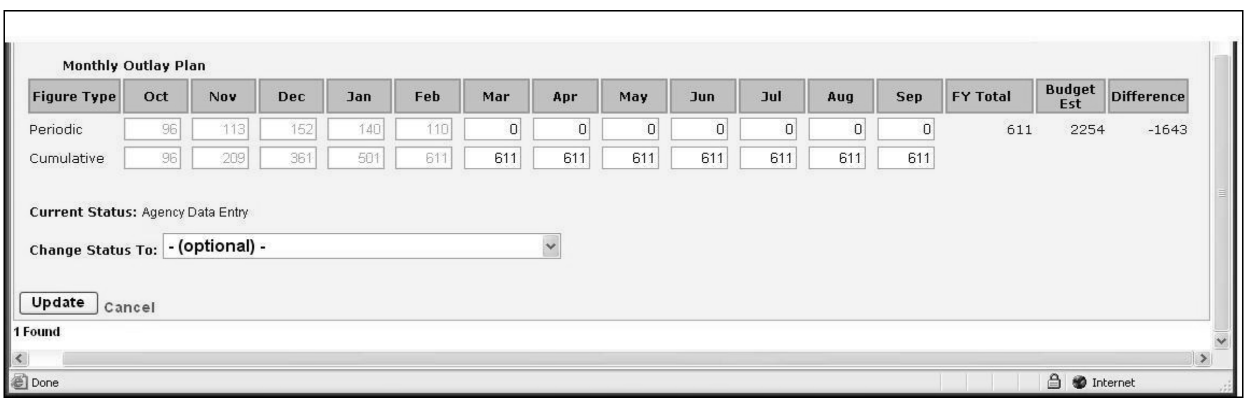
The automated collection application is on the Internet at https://max.omb.gov/mop. Further instructions can be found on the MAX Federal Community at https://max.omb.gov/community/x/XIA5Bg.



Choose fiscal year and agency.

Click "Attachments" to add summaries, supporting documents, and exhibits 135 C, D, and E.

Click "Edit" to edit an outlay plan. Alternatively, click "Upload Outlay Plans" to use the spreadsheet upload feature.



After clicking "Edit", adjust the periodic or cumulative amounts for the estimate months covered by the plan.

Click "Update" to save the plan.

To submit the estimate to OMB and Treasury, change the status to *OMB/Treasury Review* before clicking "Update".

Investment Account Reporting Format

Categories shown here are illustrative only. Categories on your report should mirror the *Budget Appendix* Status of Funds schedule.

Footnote the OMB ESTIMATES column to indicate Budget or Mid-Session Review estimates and month of release.

REPORT CODE:	XXXXXXXXXX	DEPARTMENT OF XXXXXXXXXXXX	NOT FOR PUBLIC RELEASE
TO:	OCDMA34@ocdm.Treas.gov	(Investment Account title)	OMB CIRCULAR NO. A-11
DATE PREPARED:	10/01/20CY	INCOME AND OUTGO REPORT	PART 3, SECTION 135.5
CONTACT:	Salmon P. Chase		EXHIBIT 135C
TELEPHONE:	202-622-1875	(In millions of dollars)	
E-MAIL:	Salmon.P.Chase@DO.Treas.gov		

TIMING OF TRANS	MTS LINE CODE	APPROP ACCOUNT SYMBOL	CATEGORY	2007 OCT EST	2007 NOV EST	2007 DEC EST	2008 JAN EST	2008 FEB EST	2008 MAR EST	2008 APR EST	2008 MAY EST	2008 JUN EST	2008 JUL EST	2008 AUG EST	2008 SEP EST	FISCAL YEAR TOTAL (1)	OMB EST. 1 (2)	DIFFER-ENCE 2 (1-2)
			INCOME:															
			Governmental:															
FIRST DAY	XXXX	XX XXXX.XX	Taxes……………….														5225	
			Intergovernmental:															
BIWEEKLY 3	XXXX	XX XXXX.XX	Employer contributions	375	375	375	375	375	375	376	375	375	400	400	410	**4586**	**5000**	**-414**
1215	XXXX	XX XXXX.XX	Transfer from XXXX 4	0	0	650	0	0	0	0	0	0	0	0	0	**650**	**650**	**0**
1231; 0630	XXXX	XX XXXX.XX	Interest on investments	10	15	575	20	15	30	10	15	625	75	100	50	**1540**	**1540**	**0**
			Proprietary:															
DAILY	XXXX	XX XXXX.XX	Receipts from XXXXXXX	25	30	65	25	30	65	25	30	65	25	30	65	**480**	**480**	**0**
			TOTAL INCOME…														12895	
			OUTGO:															
DAILY	XXXX	XX XXXX.XX	Benefit payments 5….	675	675	675	650	675	675	650	625	625	625	625	625	**7800**	**7800**	**0**
15TH OF MO	XXXX	XX XXXX.XX	Administrative expenses	35	30	35	35	25	35	35	35	35	35	35	30	**400**	**400**	**0**
LAST DAY	XXXX	XX XXXX.XX	Transfers to XXXX 6	125	0	0	150	0	0	175	0	0	200	0	0	**650**	**650**	**0**
			TOTAL OUTGO……	**835**	**705**	**710**	**835**	**700**	**710**	**860**	**660**	**660**	**860**	**660**	**655**	**8850**	**8850**	**0**
			NET INC (+) OR OUTGO														4045	
			MEMORANDUM: (Non-add; included above)															
			Proposed legislation 5	0	0	0	0	0	0	-25	-50	-50	-50	-50	-50	-275	-275	0

ACT=Actual; EST= Estimate

1 Footnote should state "Budget" or "Mid-Session Review" and month/year of release.

2 Footnote differences and provide brief explanation.

3 Footnote descriptions that are larger than column. Provide speciific tiiming and amount information.

4 Date contingent on passage of annual authorizing legislation. Footnote (contact name and telephone number).

5 Footnote (contact name and telephone number).

6 Footnote (contact name and telephone number).

Timing of Transactions column shows illustrative examples of frequency of timing and transaction dates.

NOTE: You are **not** required to provide ***MONTHLY*** estimates for **Governmental receipts**. Monthly estimates are prepared by the Office of Tax Analysis, Department of the Treasury.

Financing Account Reporting Format

Categories will reflect activities shown in the Program and Financing Schedules of the Budget Appendix. Include both Financing and related Liquidating and Subsidy accounts in order to ensure consistency of estimated transactions between budgetary and non-budgetary accounts.

Footnote the OMB ESTIMATES column to indicate Budget or Mid-Session Review estimates and month of release.

REPORT CODE: XXXXXXXXXX
TO: OCDMA34@ocdm.Treas.gov
DATE PREPARED: 10/01/20CY
CONTACT: Salmon P. Chase
TELEPHONE: 202-622-1875
E-MAIL: Salmon.P.Chase@DO.Treas.gov

DEPARTMENT OF XXXXXXXXXXXXX
(Financing Account title)
(In millions of dollars)

NOT FOR PUBLIC RELEASE
OMB CIRCULAR NO. A-11
PART 3, SECTION 135.6
EXHIBIT 135D

TIMING OF TRANS	MTS LINE CODE	APPROP ACCOUNT SYMBOL	OBJECT CLASS CODE	ACCOUNT	2007 OCT EST	2007 NOV EST	2007 DEC EST	2008 JAN EST	2008 FEB EST	2008 MAR EST	2008 APR EST	2008 MAY EST	2008 JUN EST	2008 JUL EST	2008 AUG EST	2008 SEP EST	FISCAL YEAR TOTAL (1)	OMB ESTI-MATES1 (2)	DIFFER-ENCE 2 (1-2)
				FINANCING ACCOUNT:															
DAILY			??.??	Loan disbursements	250	365	450	1000	1265	750	370	300	450	600	950	1275	**8025**	**8575**	**-550**
0930			00.02	Interest paid to Treasury	0	0	0	0	0	0	0	0	0	0	0	150	**150**	**150**	**0**
ANNUAL			08.02	Downward reestimate of subsidy	0	0	0	0	0	0	0	0	0	0	0	531	**531**	**531**	**0**
ANNUAL			08.04	Interest on downward reestimate	0	0	0	0	0	0	0	0	0	0	0	147	**147**	**147**	**0**
				Collections:															
DAILY			??.??	Loan repayments **(P+1)**	-100	-125	-225	-100	-100	-100	-100	-125	-225	-100	-100	-100	**-1500**	**-1500**	**0**
3RD THURS			??.??	Sales of loans (net) 3	0	0	0	0	-400	0	0	0	-350	0	0	0	**-750**	**-750**	**0**
ANNUAL			88.00	Upward reest from program account	0	0	0	0	0	0	0	0	0	0	0	-1,085	**-1085**	**-1,085**	**0**
ANNUAL			88.00	Interest on upward reestimate	0	0	0	0	0	0	0	0	0	0	0	-74	**-74**	**-74**	**0**
FIRST DAY			??.??	Collected from liquidating acct.	0	0	-25	0	0	-25	0	0	-50	0	0	-25	**-125**	**-125**	**0**
FIRST DAY			??.??	Collected from subsidy account	0	0	-260	0	0	-545	0	-300	0	0	-830	0	**-1935**	**-1,935**	**0**
0930			88.25	Interest on uninvested funds	0	0	0	0	0	0	0	0	0	0	0	-495	**-495**	**-495**	**0**
DAILY				**All other**	0	0	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
	XXXX	**XX XXXX**	**87.00**	**FINANCING DISB (NET)**	**150**	**240**	**-60**	**900**	**765**	**80**	**270**	**-125**	**-175**	**500**	**20**	**324**	**2889**	**3439**	**-550**
				BUDGET ACCOUNTS:															
				SUBSIDY (Program) ACCOUNT:															
ANNUAL			??.??	Prior Subsidy	0	0	0	10	50	560	0	200	0	0	0	0	**820**	**820**	**0**
ANNUAL			??.??	Current Subsidy	0	0	260	0	0	545	0	300	0	0	830	0	**1935**	**1935**	**0**
ANNUAL			00.05	Upward reestimate of subsidy	0	0	0	0	0	0	0	0	0	0	0	1085	**1085**	**1,085**	**0**
ANNUAL			00.06	Interest on upward reestimate	0	0	0	0	0	0	0	0	0	0	0	74	**74**	**74**	**0**
LAST DAY			00.09	Administrative expenses	15	20	10	25	10	15	20	5	25	10	15	10	**180**	**180**	**0**
				Collections:															
ANNUAL			69.00	Downward reestimate of subsidy	0	0	0	0	0	0	0	0	0	0	0	-531	**-531**	**-531**	**0**
ANNUAL			69.00	Interest on downward reestimate	0	0	0	0	0	0	0	0	0	0	0	-147	**-147**	**-147**	**0**
	XXXX	**XX XXXX**	**90.00**	**TOTAL OUTLAYS (Net)**	**15**	**20**	**270**	**35**	**60**	**1,120**	**20**	**505**	**25**	**10**	**845**	**491**	**4094**	**4,094**	**0**
				LIQUIDATING ACCOUNT:															
			??.??	Payments to financing account	0	0	0	0	0	0	0	0	0	0	0	225	**225**	**125**	**100**
			??.??	Other	5	5	5	5	5	5	5	5	5	5	5	5	**60**	**60**	**0**
	XXXX	**XX XXXX**		**TOTAL LIQUIDATING**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**5**	**230**	**285**	**185**	**100**
				OFFSETTING RECEIPT ACCOUNTS:															
	XXXX	XX XXXX		Disaster loans, downward reest	0	0	0	0	0	0	0	0	0	0	0	-678	**-678**	**-722**	**44**
	XXXX	XX XXXX		Disaster loans, downward reest													**0**	**0**	**0**
				TOTAL OFFSETTING. RECEIPTS	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-678**	**-678**	**-722**	**44**
				MEMORANDUM:															
0930	4188	XX 1499		INTEREST TO TREASURY	0	0	0	0	0	0	0	0	0	0	0	-150	**-150**	**-150**	**0**
				TOTAL IMPACT, ALL ACCOUNTS	**170**	**265**	**215**	**940**	**830**	**1,205**	**295**	**385**	**-145**	**515**	**870**	**217**	**5,762**	**7,568**	**-1,806**

FOOTNOTES:

ACT=Actual; EST= Estimate

1 Footnote should state "Budget" or "Mid-Session Review" and month released.

2 Footnote differences and provide brief explanation.

3 Deposit date 022107 062007 091907

Asset Sales Reporting Format

The agency will adapt this format to its sale process.

Treasury will work with each agency to identify key events.

DATE OF REPORT:
TO: OUTLAYS@OCDM.Treas.gov
TO: FUNDS.CONTROL@FMS.Treas.gov
NOTE: E-MAIL AS AN ATTACHMENT (Excel97 or lower)

ASSET SALES REPORT
FOR CASH AND DEBT FORECASTING
DEPARTMENT OF XXXXXXXXXXXXX
(Amounts in Millions of Dollars)

NOT FOR PUBLIC RELEASE
OMB CIRCULAR NO. A-11
PART 3, SECTION 135.7
EXHIBIT 135E

REPORT CODE:
AGENCY LOC CODE:
CONTACT:
TELEPHONE:
E-MAIL:
ALTERNATE:
TELEPHONE:
E-MAIL:

Check Whichever is Applicable:

☐ TWELVE-MONTH FORECAST: MONTHLY UPDATE (For Fiscal Projections Use Only)

☐ LARGE DOLLAR REPORT FOR INDIVIDUAL ASSET SALE

SALE NUMBER AND/OR DESCRIPTION	FOR SMALL BUSINESS ADMIN USE ONLY				FOR USE BY ALL AGENCIES		
	DATE	BID DEPOSITS TO TREASURY	REFUNDS OF DEPOSITS 1		TOTAL CASH PROCEEDS	SETTLEMENT(S) OR CLOSING(S)	
			DATE	AMOUNT		DATE(S)	BALANCE DUE
TREASURY CASHTRACK CODE:	XXXXX		XXXXX			XXXXX	

1 If applicable to agency's process, estimate amounts and timing or provide actuals.

REFERENCE: OMB Circular No. A-11, Part 3, Section 135, Exhibit 135E; TREASURY FINANCIAL MANUAL, Volume I, Part 6--Chapter 8500.

SECTION 140—REPORTS ON UNVOUCHERED EXPENDITURES

Table of Contents

140.1 What are unvouchered expenditures?

Unvouchered expenditures are any expenditure accounted for solely on the approval, authorization, or certificate of the President or an official of an executive agency.

Executive Branch agencies are required to submit information to OMB on unvouchered expenditures annually. OMB uses the information to prepare the annual report required by law (31 U.S.C. 3524) on accounts containing unvouchered expenditures that are potentially subject to audit by the Comptroller General.

140.2 Are there any exemptions?

The law provides for exemptions for individual financial transactions or for a class or category of financial transactions if they relate to:

- Sensitive foreign intelligence or counterintelligence activities, or
- Sensitive law enforcement investigations in which an audit proceeding would expose the identifying details of an active investigation or endanger the safety of investigative or domestic intelligence sources involved in such law enforcement investigations.

The law gives the President the authority to exempt these financial transactions from audit. You should make any requests for exemptions through the White House Counsel's office.

140.3 What is the basis for coverage?

Subject to 31 U.S.C. 3524(c) and (d), these instructions apply to the accounts of all executive agencies authorized to contain unvouchered expenditures. Funds used under Section 8(b) of the CIA Act of 1949 are exempt from this GAO audit and are not covered in the annual report to Congress on unvouchered expenditures.

140.4 What are the requirements for submission?

By October 1st each executive department and agency will submit to OMB a list of all of the agency's accounts that contain unvouchered expenditures with an explanation of any additions to or deletions from the accounts listed in the previous year's report (see exhibit 140). OMB will issue a separate data request for this information at a later date.

In addition, if you are required to submit information on unvouchered expenditures, you must maintain records of these transactions in a manner similar to those maintained for regular financial transactions and accounts in order to insure proper accountability.

140.5 What are OMB's responsibilities?

The Director of OMB will prepare and submit the report to certain congressional committees and to the GAO before December 1 of each year, as required by law.

List of Accounts Containing Unvouchered Expenditures

List of CY Accounts Containing Unvouchered Expenditures that are Potentially Subject to Audit by GAO

Enter the date of submission, the name of the department or agency, and the name and phone number of a contact

Date: ____________________

Agency: Department of Government

Information Contact: John Brown

Telephone: 958–4237

Enter the titles of accounts in which unvouchered expenditures are permitted in the current fiscal year.

When the current year regular appropriations have not been enacted, provide information based on the enacted past year appropriations.

Account Titles:
Operation and Maintenance
Salaries and Expenses
Contingencies

Explanation of changes: The Salaries and expenses account is authorized to contain unvouchered expenditures for the first time in CY pursuant to P.L. XXX–XX. Also as a result of this law, the Research and related activities account is no longer authorized to contain unvouchered expenditures and therefore is not included in this year's report.

Provide an explanation of any additions or deletions to the previous year's report.

SECTION 145—REQUIREMENTS FOR REPORTING ANTIDEFICIENCY ACT VIOLATIONS

Table of Contents

145.1 What is the Antideficiency Act?

The Antideficiency Act consists of provisions of law that were passed by Congress (beginning in the nineteenth century and later codified in Title 31 of the United States Code) to prevent departments and agencies from spending their entire appropriations during the first few months of the year. The Act *prohibits* you and any other Federal employee from:

- Entering into contracts that *exceed* the enacted appropriations for the year.
- Purchasing services and merchandise *before* appropriations are enacted.

The Act:

- Requires that OMB *apportion* the appropriations, that is, approve a plan that spreads out spending over the fiscal period for which the funds were made available.
- Requires, subject to the approval of OMB, the head of each executive agency to prescribe by regulation a system of administrative control of funds (31 U.S.C. 1514 (a)).
- Restricts *deficiency apportionments* to amounts approved by the agency heads only for "extraordinary emergency or unusual circumstances."
- Establishes *penalties* for Antideficiency Act violations. Violations are obligations or expenditures in excess of the lower of the amount in the affected account, the amount apportioned or the amount allotted.
- Requires the agency head to report any Antideficiency Act violations to the President, through the OMB Director; Congress; and the Comptroller General.

Under the Act, if you obligate or expend more than the amount in the TAFS or the amount apportioned or any other subdivision of funds, you will be subject to appropriate administrative discipline, including—

when circumstances warrant—a written reprimand, suspension from duty without pay, or removal from office.

In addition, if you are convicted of willfully and knowingly overobligating or overexpending the amount, then you shall be fined not more than $5,000, imprisoned for not more than 2 years, or both.

In 1982, Congress reworded and reorganized the language of the Antideficiency Act along with the rest of Title 31 of the United States Code. The intent of Congress was to modernize the language of the Act, without changing its meaning. You will find a crosswalk between the provisions of law that made up the Antideficiency Act before it was modernized and the current language in Appendix G.

145.2 What violations must I report?

All Antideficiency Act violations must be reported. Here are some common examples:

If you . . .	The amount . . .	Then, you must report a violation of . . .
Authorize or make an obligation exceeding	In an appropriation or fund. This may include obligations for purchases of goods or items that are prohibited by statute.	31 U.S.C. 1341(a)
	In an apportionment or reapportionment (a type of administrative subdivision of funds), such as a category B apportionment. This also includes incorporated footnotes.	31 U.S.C. 1517(a)(1)
	In an allotment or a suballotment (a type of administrative subdivision of funds).	31 U.S.C. 1517(a)(2)
	In any other administrative subdivision of funds, if the overobligation results in the overobligation of one of the previous amounts.	31 U.S.C. 1517(a)(2)
Authorize or make a disbursement exceeding	In an appropriation or fund.	31 U.S.C. 1341(a)
	In an apportionment or reapportionment (a type of administrative subdivision of funds). Includes the overobligation of a category B apportionment. This also includes incorporated footnotes.	31 U.S.C. 1517(a)(1)
	An allotment or a suballotment (a type of administrative subdivision of funds).	31 U.S.C. 1517(a)(2)
	In any other administrative subdivision of funds if the overexpenditure results in the overexpenditure of one of the previous amounts.	31 U.S.C. 1517(a)(2)
Obligate or expend	Funds required to be sequestered.	31 U.S.C. 1341(a)
Involve the Government in a contract or obligation	Before you receive the appropriation, unless such contract or obligation is authorized by law.	31 U.S.C. 1341(a)

If you . . .	The amount . . .	Then, you must report a violation of . . .
Sign a contract that obligates the Government to indemnify parties against losses ("open-ended indemnification" clause)	Indeterminate.	31 U.S.C. 1341(a)
Accept voluntary service	In excess of that authorized by law.	31 U.S.C. 1342

145.3 How do the requirements for reporting violations differ for credit programs?

In addition to the violations specified in section 145.2, report overobligation or overexpenditure of:

- The subsidy—where an officer or employee of the United States has made or authorized a direct loan obligation or loan guarantee commitment that requires a subsidy cost obligation or expenditure in excess of amounts appropriated and/or apportioned for such purposes. Modifications of direct loans or loan guarantees (or of direct loan obligations or loan guarantee commitments), as defined in section 185, that result in obligations or expenditure in excess of apportioned unobligated balances of subsidy amounts are violations (31 U.S.C. 1341(a), 31 U.S.C. 1517(a)).

- The credit level supportable by the enacted subsidy—where an officer or employee of the United States has made or authorized a direct loan obligation or loan guarantee commitment, that is in excess of the level specified by law. This includes, for example, obligations or expenditures that exceed a limitation on direct loan obligations or guaranteed loan commitments (31 U.S.C. 1341(a)).

- The amount appropriated for administrative expenses—where an officer or employee of the United States has made or authorized an expenditure or created or authorized an obligation that is in excess of the amount appropriated for administrative expenses (31 U.S.C. 1341(a)).

- The expired unobligated balance of the subsidy—where an officer or employee of the United States has made or authorized an expenditure or created or authorized an obligation, including a commitment, against unobligated subsidy balances after the period of obligational authority has expired. Correction of mathematical or data input errors up to the amount of the expired unobligated balance of the subsidy are not violations. Corrections of these errors in excess of the amount of the expired unobligated balance of the subsidy are violations (31 U.S.C. 1341(a)).

- The apportioned borrowing authority in a financing account. Section 505(c) of the Federal Credit Reform Act subjects financing accounts to apportionment: "All of the transactions provided in this subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code."

145.4 Do the requirements for reporting violations differ for revolving funds?

No. The incurring of obligations in excess of apportioned budgetary resources in a revolving fund is a violation of the Antideficiency Act, whether or not a fund has unapportioned budgetary resources or non-budgetary assets greater than the amount apportioned.

145.5 Do the requirements for reporting violations differ for closed and expired accounts?

No. You are required to report violations when obligations and expenditures or adjustments to obligations and expenditures exceed the original appropriations in expired accounts as well as closed accounts. This also includes obligations and expenditures or adjustments to obligations and expenditures that exceed the amount apportioned or allotted before the account had expired.

145.6 How do I treat anticipated budgetary resources?

You may not obligate against anticipated budgetary resources before they are realized even though the anticipated budgetary resources have been apportioned (see section 121.11). If you incur an obligation against an anticipated budgetary resource, such as anticipated spending authority from offsetting collections (i.e., line 3C of the SF 132), then you will have a violation of the Antideficiency Act. If you incur obligations against unobligated balances that are not available for the purpose (31 U.S.C. 1301(a)) or amount so obligated in the account, then you will have a violation.

145.7 How do I report a violation?

Transmittal letter to the Director of OMB. You will transmit the letter from your agency head to the President through the Director of OMB. A sample transmittal letter is provided in exhibit 145A that shows the format that must be followed. Agencies now must state whether or not their agency received a clean audit opinion during the fiscal year(s) in which the violation occurred.

Letter to the President. You will report a violation of the Antideficiency Act in the form of a letter (original and three copies) from your agency head to the President. A sample letter is provided in exhibit 145B that shows the format that must be followed.

The letter will set forth all of the following information:

- The title and Treasury symbol (including the fiscal year) of the appropriation or fund account, the amount involved for each violation, and the date on which the violation occurred.

- The name and position of the officer(s) or employee(s) responsible for the violation.

- All facts pertaining to the violation, including the type of violation (for example, overobligation of an appropriation, overobligation of an apportionment, overobligation of an allotment or suballotment), the primary reason or cause, any statement from the responsible officer(s) or employee(s) with respect to any circumstances believed to be extenuating, and any germane report by the agency's Inspector General and/or the agency's counsel.

- A statement of the administrative discipline imposed and any further action(s) taken with respect to the officer(s) or employee(s) involved in the violation.

- In the case where an officer or employee is suspected of willfully and knowingly violating the Antideficiency Act, confirm that all information has been submitted to the Department of Justice for determination of whether further action is needed.

- A statement regarding the adequacy of the system of administrative control prescribed by the head of the agency and approved by OMB, if such approval has been given. If the head of the agency determines a need for changes in the regulations, or your system of administrative controls has never been approved by OMB, such proposals will be submitted as provided in section 150.7.

- A statement of any additional action taken by, or at the direction of, the head of the agency, including any new safeguards provided to prevent recurrence of the same type of violation.

- If another agency is involved, a statement concerning the steps taken to coordinate the report with the other agency.

- Identical reports will be submitted to the presiding officer of each House of Congress and the Comptroller General. If identical to the report to the President, so state.

Letters to Congress. You will report identical letters to the Speaker of the House of Representatives and the President of the Senate.

Letters to the Comptroller General. You will report to the Comptroller General of the Government Accountability Office. Agencies may electronically send PDF (portable document format) copies of these reports to AntideficiencyActReports@gao.gov (for further information see OMB Memorandum M–05–09 dated March 11, 2005).

If the letters to Congress and the Comptroller General are identical to the letter to the President, include a statement to this effect in the letter to the President. If the letters to Congress and the Comptroller General are not identical to the letter to the President, you will submit a copy of the letter to Congress and the Comptroller General with your letter to the President and, moreover, you will submit to the Congress and the Comptroller General a copy of your letter to the President. Additionally, agencies are required to ensure that the entire violation package maintains consistency with regard to the type of Antideficiency Act violation that has occurred. If there is an inconsistency in the package, agencies are required to submit an explanation for the record (emails are acceptable).

145.8 What if the GAO reports a violation?

You should report to the President, Congress, and the Comptroller General on violations reported by the Government Accountability Office in connection with audits and investigations.

In these cases, the report to the President will indicate whether the agency agrees that a violation has occurred, and if so, it will contain an explanation as to why the violation was not discovered and previously reported by the agency. If the agency does not agree that a violation has occurred, the report to the President, Congress, and the Comptroller General will explain the agency's position.

145.9 What if OMB suspects a violation?

Whenever OMB determines that a violation of the Antideficiency Act may have occurred, OMB may request that an investigation or audit be undertaken or conducted by the agency. In such cases, a report describing the results of the investigation or audit will be submitted to OMB through the head of the agency. If the report indicates that no violation of the Antideficiency Act has occurred, the agency head will so inform OMB and forward a copy of the report to OMB. If the report indicates that a violation of the Antideficiency Act has occurred, the agency head will report to the President, Congress, and the Comptroller General in accordance with section 145.7 as soon as possible. If the agency head does not agree that a violation has occurred, the report to the President, Congress, and Comptroller General will explain the agency's position.

Antideficiency Act Violation
Sample Letter to the Director

> Note: If a violation occurred in section 1341 of Title 31, United States Code (U.S.C.), then it is required to be reported under section 1351 of Title 31, U.S.C.
>
> If a violation occurred in section 1517 of Title 31, U.S.C., then it is required to be reported under section 1517(b) of Title 31, U.S.C.

Honorable Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Director:

Enclosed is a letter transmitting a violation of section [1341 or 1517] of Title 31, United States Code to the President.

The Antideficiency Act violation totaled $XXXX.XX. This violation report is required by section [1351 or 1517(b)] of Title 31, United States Code, to be submitted to the President; it is being submitted through the Director of the Office of Management and Budget. The agency [did] [did not] receive a clean audit opinion during the fiscal year(s) in which the violation occurred.

To comply with the aforementioned provisions, copies of the report are also being submitted to the President of the Senate and the Speaker of the House of Representatives as well as the Comptroller General.

Sincerely,
Agency Head

Enclosure

Antideficiency Act Violation
Sample Letter to the President

Note: If a violation occurred in section 1341 of Title 31, United States Code (U.S.C.), then it is required to be reported under section 1351 of Title 31, U.S.C.

If a violation occurred in section 1517 of Title 31, U.S.C., then it is required to be reported under section 1517(b) of Title 31, U.S.C.

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

This letter is to report a violation of the Antideficiency Act, as required by section [1351 or 1517(b)] of Title 31, United States Code.

A violation of section [1341 or 1517] occurred in account [Treasury symbol and title] in the total amount of $X,XXX. The violation occurred on [date] in connection with [identify the affected program or activity] for FY XXXX. Mr./Ms. ______________ (rank/grade/title) was [were] the officer(s) responsible for the violation(s).

[Describe the nature of the violation (see section 145.2). Then state the primary reason or cause. Include any statement from the responsible officer(s) or employee(s) as to any circumstances believed to be extenuating. Include any germane report by the agency's Inspector General.]

[State which administrative discipline was imposed as well as any further action(s) taken with respect to the officer(s) or employee(s) involved. (see section 145.1)]

[In the case where an officer or employee is suspected of willfully and knowingly violating the Antideficiency Act, confirm that all information has been submitted to the Department of Justice.]

[State whether the adequacy of the system of administrative control has been approved by OMB. (see section 150.7)]

[State whether any additional action need be taken to prevent recurrence of the same type of violation.]

[If another agency is involved, state what steps are being taken to coordinate the report with the other agency.]

[Identical reports will be submitted to the presiding officer of each House of Congress as well as the Comptroller General. If identical to the report to the President, so state. (see section 145.7)]

Respectfully,
Agency Head

SECTION 150—ADMINISTRATIVE CONTROL OF FUNDS

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150.1 Why must my agency have a fund control system?

The Antideficiency Act requires that your agency head prescribe, by regulation, a system of *administrative control of funds*. The system is also called *the fund control system* and the regulations are called *fund control regulations*.

150.2 What is the purpose of my agency's fund control system?

The purpose of your agency's fund control system is to:

- Restrict *both* obligations and expenditures (also known as outlays or disbursements) from each appropriation or fund account to *the lower of* the amount apportioned by OMB or the amount available for obligation or expenditure in the appropriation or fund account.

- Enable the head of your agency to identify the person responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reapportionment, the allotment or sub-allotments made by your agency, any statutory limitations, and any other administrative subdivision of funds made by your agency.

150.3 What is the relationship between my agency's internal controls and its fund controls?

Your agency's *internal controls* are the organization, policies, and procedures that your agency uses to reasonably ensure that:

- Programs achieve their intended results.
- Resources used are consistent with agency mission.
- Programs and resources are protected from waste, fraud, and mismanagement.
- Laws and regulations are followed.
- Reliable and timely information is obtained, maintained, reported and used for decision making.

For further guidance on your agency's internal controls, see OMB Circular No. A–123, *Management's Responsibility for Internal Control*.

Internal control requirements are one of the overarching requirements. This means that they apply to all financial management systems, including your agency's *fund control* system.

150.4 What is the relationship between my agency's financial management system and its fund control system?

Your agency's *financial management system* must support the preparation and execution of your agency's budget, among other things. Your agency's fund control system is part of your agency's budget execution process. Therefore, your agency's financial management system must support your agency's fund control system.

The policies and standards your agency must follow in developing, operating, evaluating, and reporting on financial management systems are in OMB Circular No. A–127, *Policies and Standards for Financial Management Systems*. For policies related to information technology that pertain to financial management systems, see OMB Circular No. A–130, *Management of Federal Information Resources*.

150.5 What is the U.S. Standard General Ledger (USSGL) and how does it relate to my agency's financial management system?

The USSGL includes a chart of accounts and technical guidance established to support the consistent recording of financial events as well as the preparation of standard external reports that are required by the central agencies, such as OMB and Treasury. The Treasury Financial Manual (TFM) USSGL Supplement provides:

- A list of the accounts (i.e., the chart of accounts).
- Descriptions of each account.
- A listing of transactions processed by Federal agencies.
- The posting models, including debit and credit pairs, for each type of transaction.
- The USSGL attributes that are an integral part of the USSGL.
- Crosswalks from the USSGL to various external reports, such as the SF 133 and the actual year column of the Program and Financing Schedule in the President's budget.

An electronic version of the TFM USSGL Supplement is available at:

http://www.fms.treas.gov/ussgl/index.html.

The OMB policies regarding the USSGL are in OMB Circular No. A–127, *Policies and Standards for Financial Management Systems.* Specifically, the A–127 requires that agencies record financial events throughout the financial management system using the USSGL at the transaction level. This is a legal requirement.

150.6 What are Federal Financial Management Systems requirements and how are they related to my agency's fund control system?

As defined in A-127, agencies must use a core financial system that is a commercial off-the-shelf (COTS) system and has been certified by the Financial Systems Integration Office (FSIO) as meeting the core financial system requirements. If the core financial system is not up-to-date with FSIO certification, agencies should consider upgrading to a certified version of the same COTS product or implement a different certified product. FSIO will establish processes for testing COTS software products supporting core financial system requirements. The test will verify that the COTS products meet the core financial system requirements. The product configuration used in the test will become the certified configuration for that software product. The FSIO certification tests are to be conducted as prescribed in the Core Federal Financial System Software Qualification Testing Policy issued by FSIO.

Specific non-core financial system requirements, previously published by the Joint Financial Management Improvement Program (JFMIP) and known as the JFMIP Federal Financial Management System Requirements (FFMSR) series, should be regarded as guidance when defining system requirements for acquisition. The FFMSR requirements are not part of the Federal financial management systems requirements for FFMIA and therefore should not be used to determine substantial compliance.

150.7 When and how should I get OMB approval of my agency's fund control regulations (including updates)?

Use the checklist in Appendix H to prepare draft fund control regulations. Send your proposed draft (or updates to existing OMB-approved regulations) to OMB for approval.

For newly established agencies, submit an original and three copies of the proposed fund control regulations to the Director of OMB within 90 days after the agency is established. The Director of OMB will respond within 90 days after receiving the draft regulations. Agency fund control regulations are in effect only to the extent approved by OMB.

To revise regulations previously approved by OMB, submit an original and three copies of the draft revised regulations to the Director of OMB for review and approval.

You should review your fund control regulations periodically to determine whether improvements should be made. At a minimum, review the system whenever:

- OMB issues revised guidance on budget execution.
- Your agency is reorganized.
- Staff from your agency has violated the Antideficiency Act.

CIRCULAR NO. A–11

PART 5

FEDERAL CREDIT

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 185—FEDERAL CREDIT

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Summary of Changes

For credit programs estimating subsidy rates for cohorts after the budget year, updates guidance for discounting (sections 185.3, 185.5).

Clarifies guidance for subsidy cost estimates where the borrower's interest rate is indexed to a Treasury rate (sections 185.5 and 185.24).

Clarifies requirement that agencies with non-standard terms and conditions on underlying loans need to consult with their OMB program examiner (section 185.5).

Clarifies requirement that both traditional and balances approach reestimates are required for each risk category/cohort, unless otherwise approved by OMB (section 185.6).

185.1 Does this section apply to me?

These instructions apply to all programs that provide direct loans or loan guarantees (see sections 185.3(d) and (m) for definitions of these terms) to non-Federal entities and are subject to the Federal Credit Reform Act of 1990, as amended (FCRA). Even though Section 506 of the FCRA exempts certain programs from credit reform budgeting, these programs are still required to report data in MAX schedules G and H (see section 185.11) and follow other instructions contained in this Circular.

This section answers frequently asked questions, defines credit terms and concepts, and illustrates how budget formulation, apportionment, and budget execution forms should be prepared. This section supplements the instructions provided in other parts of this Circular and should be used in conjunction with other credit program guidance in Circular A–129, Policies for Federal Credit Programs and Non-Tax Receivables (http://www.whitehouse.gov/omb/circulars_default).

Section 504(b) of the FCRA provides that new direct loan obligations and new loan guarantee commitments may be made only to the extent that:

- New budget authority to cover their costs is provided in advance in an appropriations act;
- A limitation on the use of funds otherwise available for the cost of a direct loan or loan guarantee program is provided in advance in an appropriations act; or
- Authority is otherwise provided in an appropriations act.

These requirements also apply to modifications of direct loans (or direct loan obligations) or loan guarantees (or loan guarantee commitments) that increase their cost, including modifications of pre–1992 direct loans and loan guarantees. OMB will specify exemptions from these requirements for mandatory programs pursuant to section 504(c) of the FCRA.

Unless otherwise specified by law, budget authority is available for liquidating obligations (i.e., outlays) for only five fiscal years after the authority expires. For credit subsidies financed by annual or multi-year budget authority, you must ensure that the budget authority for the subsidy cost will remain available for disbursement over the full period in which loans will be disbursed. If you expect the disbursement period will be longer than five fiscal years after the budget authority expires, you must include a special provision in the appropriations language (see section 95).

185.2 What background information must I know?

The FCRA changed the budgetary measurement of cost for direct loans and loan guarantees from the amount of cash flowing into or out of the Treasury to the estimated long-term cost to the Government. Only the unreimbursed costs of making or guaranteeing new loans (the subsidy cost, on a present value basis, and administrative expenses, on a cash basis) are included in the budget. Agencies must receive appropriations for the subsidy cost before they can enter into direct loan obligations or loan guarantee commitments. The actual cash flows are recorded as a means of financing (see section 20.7(h)) and are not included in the budget totals.

The subsidy cost is the estimated present value of the cash flows from the Government (excluding administrative expenses) less the estimated present value of the cash flows to the Government resulting from a direct loan or loan guarantee, discounted to the time when the loan is disbursed. The cash flows are the contractual cash flows adjusted for expected deviations from the contract terms (delinquencies, defaults, prepayments, and other factors). Present values must be calculated using the OMB Credit Subsidy Calculator 2. The OMB Credit Subsidy Calculator 2 discounts the cash flow that is estimated for each year (or other time period) using the interest rate on a marketable zero-coupon Treasury security with the same maturity from the date of disbursement as that cash flow. A positive net present value means that the Government is extending a subsidy to borrowers; a negative present value means that the credit program generates a "profit" (excluding administrative costs) to the Government.

Appropriations for the subsidy cost are made to the program account established for the credit program and are recorded as budget authority. Obligations for the subsidy cost are recorded when the Government enters into a loan obligation or guarantee commitment. Outlays are recorded when the direct loan or guaranteed loan is disbursed to the public and simultaneously the subsidy is paid from the program account to the financing account. The program account also receives appropriations for the direct costs of administering the credit program.

The actual cash flows (e.g., loan disbursements, collections of principal and interest payments, and payment of guarantee claims) are recorded in separate financing accounts. There is at least one financing account associated with each program account. Separate financing accounts are required for direct loan cash flows and for loan guarantee cash flows if the program account provides subsidy costs for both forms of credit. The transactions of the financing accounts are displayed in the budget *Appendix* for informational and analytical purposes, together with the related program accounts, but are excluded from the budget totals because the net cash flows do not represent a cost to the Government. The direct loan financing account combines the subsidy payment from the program account with borrowing from Treasury to finance the direct loans. It repays Treasury over time using principal and interest collected from the borrower. The loan guarantee financing account holds the subsidy payment from the program account as a reserve against default claims. The reserve, together with interest earnings on this reserve from Treasury, is used to pay default claims over the life of the loans.

All cash flows resulting from direct loan obligations and loan guarantee commitments made prior to the effective date of the FCRA (in FY 1991 or previous years) are recorded in liquidating accounts. These accounts are recorded on a cash basis and are included in the budget totals. Liquidating account collections are available to pay obligations of the account, but they are not available to finance new direct loans or loan guarantees. If the collections are insufficient, the FCRA provides liquidating accounts with permanent indefinite authority to pay for losses and to repay any debt owed to Treasury or to other sources.

By focusing on the long-term costs of the program, credit budgeting meets the most fundamental goal of budgetary cost measurement: it provides decision makers with the information and the incentive to allocate resources efficiently. Unlike most budgetary transactions, the cash disbursements for a credit program are a poor measure of cost. Counting outlays for loan disbursements without taking into account probable repayments overstates the cost of a direct loan. Loan guarantees appear costless initially because payments of guarantee claims generally occur several years after the decision to extend credit has been made. Credit budgeting places the cost of credit programs on a budgetary basis equivalent to other federal spending, allowing for better comparison of cost between direct loan and loan guarantee programs and between credit and other programs. This improves the incentive to make good budgetary decisions.

Agencies are required to reestimate the subsidy cost throughout the life of each cohort of direct loans or loan guarantees to account for differences between the original assumptions of cash flow and actual cash flow or revised assumptions about future cash flow. These reestimates represent additional costs or savings to the Government and are recorded in the budget. Reestimates that indicate an increase in the subsidy cost are financed by permanent indefinite authority. There are two types of reestimates. Interest rate reestimates adjust for the effect on the subsidy of differences between actual interest rates and the discount rates assumed when estimates were made for budget formulation and obligation (the same discount rate assumptions must be used at formulation and obligation). These reestimates must be made when the cohort is at least 90 percent disbursed. Technical reestimates adjust for revised assumptions about loan performance, such as differences between assumed and actual default rates or new projections of prepayments. These reestimates must be made after the close of each fiscal year, unless an alternative plan has been approved by OMB.

Modifications of a direct loan or loan guarantee can also change the subsidy cost. A modification is any Government action different from the baseline assumptions that affects the subsidy cost, such as a change in the terms of the loan contract or legislation that provides new collection tools. The cost of a modification is the difference between the present value of the cash flows before and after the modification. Agencies must have budget authority available to cover the cost of a modification that increases the subsidy before the loans can be modified.

185.3 What special terms must I know?

The following are key terms used in credit budgeting. In these definitions, the term "post–1991" means direct loan obligations or loan guarantee commitments made on or after October 1, 1991, and the resulting direct loans or loan guarantees. The term "pre–1992" means direct loan obligations or loan guarantee commitments made prior to October 1, 1991, and the resulting direct loans or loan guarantees.

(a) ***Administrative expenses*** mean all costs that are directly related to credit program operations, including payments to contractors. The FCRA generally requires that administrative expenses for both pre–1992 and post–1991 direct loans and loan guarantees be included in program accounts. Administrative expenses are included in the liquidating accounts only if the amounts would have been available for administrative expenses under a provision of law in effect prior to October 1, 1991, and if no direct loan obligation or loan guarantee commitment has been made, or any modification of a direct loan or loan guarantee has been made, since September 30, 1991.

Administrative expenses that are tangentially related to the credit program should not be included in the program account. As an illustration, the cost of auditing credit programs that is financed in the accounts for Inspectors General should not be included. Administrative expenses include:

- The appropriate proportion of administrative expenses that are shared with non-credit programs;
- The cost of operating separate offices or units that make policy decisions for credit programs;
- The cost of loan systems development and maintenance, including computer costs (under no circumstances should computer costs be paid out of financing accounts);
- The cost of monitoring credit programs and private lenders for compliance with laws and regulations;
- The cost of all activities related to credit extension, loan servicing, write-off, and close out; and
- The cost of collecting delinquent loans, except for the costs of foreclosing, managing, and selling collateral that are capitalized or routinely deducted from the proceeds of sales.

The capitalized costs of foreclosing, managing, and selling collateral are those that add or maintain value to property prior to sale. These costs are part of the cash flows that must be taken into account in calculating the subsidy cost. They are financed by the subsidy cost payment from the program account to the financing account and paid out of the financing account. The cost of managing these functions must be paid from administrative expense appropriations in the program account.

Administrative expenses may be expended directly from the program account or, if authorized by appropriation language (see section 95), used to reimburse a salaries and expenses account or the Federal Financing Bank (FFB). If they are transferred to a salaries and expenses account or the FFB, record the transfer as an expenditure transfer. Record an obligation and outlay in the program account and an offsetting collection in the salaries and expenses account. In the salaries and expenses account, obligations for administrative expenses may be recorded without necessarily identifying them as credit program expenses.

Administrative expenses are almost always provided by annual appropriations acts and, therefore, are discretionary spending. If such expenses are included in a program account that subsidizes a mandatory program, the account will be split between mandatory and discretionary spending.

(b) ***Claim payment*** means a payment made to private lenders when a guaranteed loan defaults.

(c) ***Cohort*** means all direct loans or loan guarantees of a program for which a subsidy appropriation is provided for a given fiscal year (except as provided below for pre–1992 direct loans and loan guarantees that are modified). For direct loans and loan guarantees for which a subsidy appropriation is provided for one fiscal year, the cohort will be defined by that fiscal year. For direct loans and loan guarantees for which multi-year or no-year appropriations are provided, the cohort is defined by the year of obligation. Direct loans and loan guarantees that are made from supplemental appropriations will be recorded in the same cohort as those that are funded in annual appropriations acts. These rules apply even if the direct loans or guaranteed loans are disbursed in subsequent years.

Cohort accounting applies to post–1991 direct loans and loan guarantees and pre–1992 direct loans and loan guarantees that have been modified. Post–1991 direct loans or loan guarantees remain with their original cohort throughout the life of the loans, even if they are modified. Pre–1992 direct and guaranteed loans are assigned to a single cohort by program and credit instrument regardless of the fiscal year of the subsidy appropriation. For purposes of budget presentation, cohorts will be aggregated. However, accounting and other records must be maintained separately for each cohort.

(d) ***Direct loan*** means a disbursement of funds by the Government to a non-Federal borrower under a contract that requires repayment of such funds with or without interest. The term includes:

- The purchase of, or participation in, a loan made by another lender;
- Financing arrangements that defer payment for more than 90 days, including the sale of a Government asset on credit terms; and
- Loans financed by the Federal Financing Bank (FFB) pursuant to agency loan guarantee authority.

The term does not include the acquisition of federally guaranteed loans in satisfaction of default or other guarantee claims or the price support loans of the Commodity Credit Corporation.

Pre–1992 loans made by the FFB on behalf of any agency continue to be recorded as direct loans of the agency. Agency guarantees of post–1991 loans that are financed by the FFB are treated as direct loans in the budget, but the intrabudgetary cash flows reflect elements of direct loans and loan guarantees. The direct loan financing account for these loans will collect and hold the subsidy payment from the program account. This balance, together with interest earnings, will be available to pay the FFB in the event of default by the non-Federal borrower. Agencies with programs financed by the FFB should consult with the OMB representative with primary responsibility for the program to ensure correct treatment of these loans.

(e) ***Direct loan obligation*** means a binding agreement by a Federal agency to make a direct loan when specified conditions are fulfilled by the borrower.

(f) ***Direct loan subsidy cost*** means the estimated long-term cost to the Government of a direct loan, calculated on a net present value basis, excluding administrative costs. Specifically, the cost of a direct loan is the net present value, at the time when the direct loan is disbursed from the financing account, of the following estimated cash flows:

- Loan disbursements;
- Repayments of principal;
- Payments of interest;
- Recoveries or proceeds of asset sales; and
- Other payments by or to the Government over the life of the loan.

These estimated cash flows include the effects of estimated defaults, prepayments, fees, penalties, and expected actions by the Government and the borrower within the terms of the loan contract, such as the exercise by the borrower of an option included in the loan contract.

Obligations for the subsidy cost will be recorded against budget authority in the program account when the direct loan obligation is incurred. Accounts payable (to the direct loan financing account) will be recorded in the amount of the estimated obligation. The subsidy will be paid to the financing account for each disbursement when the loan is disbursed. (See section 185.5 and the OMB Credit Subsidy Calculator 2 and accompanying documentation for information about estimating the subsidy.)

(g) ***Discount rates*** mean the collection of interest rates that are used to calculate the present value of the cash flows that are estimated over a period of years. The discount rates are based on the Treasury rates in the economic assumptions for the budget year. For loans made, guaranteed, or modified in FY 2001 and thereafter, the cash flow estimated for each year (or other time period) is discounted using the interest rate on a marketable zero-coupon Treasury security with the same maturity from the date of disbursement as that cash flow. The discount rate assumptions for the budget will be provided by OMB in a file for use with the OMB Credit Subsidy Calculator 2. The rate at which interest will be paid on the amounts borrowed or held as an uninvested balance by a financing account for a particular cohort is a disbursement-weighted average discount rate (for cohorts before 2001) or single effective rate (for cohorts 2001 and after) derived from this collection of interest rates. For subsidy rate estimates beyond the budget year, please consult your OMB examiner regarding the appropriate discount rates. Actual interest income or expense for financing accounts must be calculated with the OMB Credit Subsidy Calculator 2.

(h) ***Economic assumptions*** include the interest rates used for discounting cash flows, the rate of inflation, and may include other assumptions as applicable to a particular program. They also include the interest rate charged to the borrower on the loan, if the rate is tied to a variable benchmark, such as the rate on specified Treasury securities.

(i) ***Financing account*** means a non-budgetary account (i.e., its transactions are excluded from the budget totals) that records all of the cash flows resulting from post–1991 direct loans or loan guarantees. It disburses loans, collects repayments and fees, makes claim payments, holds balances, borrows from Treasury, earns or pays interest, and receives the subsidy cost payment from the credit program account. There is at least one financing account associated with each program account. Separate financing accounts are required for direct loan cash flows and for loan guarantee cash flows if the program account receives appropriations for both forms of credit. Financing account schedules are printed in the budget *Appendix* together with the program account.

(j) ***Forecast assumptions*** are factors that affect the expected cash flows of the loan or guarantee. They are factors which are estimated, but not actually observable, at the time of loan origination or modification. Forecast assumptions include: default rates, timing of defaults, delinquency rates, late fees, proceeds from the sale of collateral or acquired defaulted loans, income from (and costs of managing) foreclosed collateral and acquired defaulted guaranteed loans, reschedulings, prepayments, loan asset sales proceeds and costs, and disbursement rates.

(k) ***Liquidating account*** means a budget account that records all cash flows to and from the Government resulting from pre–1992 direct loan obligations or loan guarantee commitments (unless they have been modified and transferred to a financing account). Liquidating account collections in any year are available only for obligations incurred during that year or to repay debt. In general, all liquidating account transactions are classified as mandatory. Collections credited to a liquidating account include:

- Interest;
- Loan repayments and prepayments;
- Payments from financing accounts when required for modifications;
- Proceeds from the sales of loans; and
- Fees.

These collections are available only for:

- Interest payments and repayment of debt;
- Disbursements of loans;
- Default and other guarantee claim payments;
- Interest supplement payments;
- Cost of foreclosing, managing, and selling collateral that is capitalized or routinely deducted from the proceeds of sales;
- Payments to financing accounts when required for modifications;
- Administrative expenses, but only if (1) amounts credited to the liquidating accounts would have been available for administrative expenses under a provision of law in effect prior to October 1, 1991, and (2) no direct loan obligations or loan guarantee commitments have been made, or any modification of a direct loan or loan guarantee has been made, since September 30, 1991; and
- Other payments that are necessary for the liquidation of pre–1992 direct loan obligations and loan guarantee commitments.

Amounts credited to liquidating accounts in any year are only available for obligations that are incurred in that year (the outlay may occur in a subsequent year) and for repayment of debt. Any remaining unobligated balances at the end of the fiscal year are unavailable for obligation in subsequent fiscal years and must be transferred to the general fund at the end of the fiscal year unless an extension has been approved by OMB (see section 51.13).

The FCRA provides permanent indefinite authority to cover obligations and commitments in the event that funds in liquidating accounts are otherwise insufficient. If the liquidating account's obligations will exceed its collections during the year, the agency must request an apportionment and warrant of permanent indefinite authority estimated to be needed for the fiscal year, before the beginning of the fiscal year.

The liquidating account status of direct and/or guaranteed loans schedule reflects disbursements and repayments of pre–1992 loans. Therefore, in the liquidating account status of direct and/or guaranteed loans:

- There will be no post–1991 direct loan obligations or loan guarantee commitments;
- Direct and guaranteed loan disbursements will be shown only for pre–1992 direct loans or loan guarantees; and
- Repayments and prepayments will reflect only pre–1992 direct loan obligations and loan guarantee commitments.

(l) ***Loan asset sale*** means a sale of one or more loans to a non-Federal buyer, individually, pooled, packaged, securitized, or as a joint venture, at a single point in time, subject to parties fulfilling the terms and conditions of the Government's offer. Loan assets consist of direct loans and loan receivables resulting from defaulted guaranteed loans.

(m) ***Loan guarantee*** means any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender, except for the insurance of deposits, shares, or other withdrawable accounts in financial institutions. Loans that are financed by the FFB pursuant to agency loan guarantee authority are treated as direct loans rather than loan guarantees.

(n) ***Loan guarantee commitment*** means a binding agreement by a Federal agency to make a loan guarantee when specified conditions are fulfilled by the borrower, the lender, or any other party to the guarantee agreement.

(o) ***Loan guarantee subsidy cost*** means the estimated long-term cost to the Government of a loan guarantee, calculated on a net present value basis, excluding administrative costs. Specifically, the cost of a loan guarantee is the net present value, at the time when the guaranteed loan is disbursed by the lender, of the following estimated cash flows:

- Payments by the Government to cover defaults and delinquencies, interest subsidies, and other requirements; and
- Payments to the Government, including origination and other fees, penalties, and recoveries.

These estimated cash flows include the effects of expected Government actions and the exercise by the guaranteed lender or the borrower of an option included in the loan guarantee contract.

Obligations for the subsidy cost are recorded against budget authority in the program account when the loan guarantee commitment is made. The subsidy for each disbursement is paid to the guaranteed loan financing account when the loan is disbursed by the private lender. (See section 185.5 and the OMB Credit Subsidy Calculator 2 and accompanying documentation for information about estimating the subsidy.)

(p) ***Loan terms*** are those terms made explicit in the contract between the U.S. Government and the borrower or in the Federally guaranteed contract between a private lender and the borrower. These assumptions are forecast in the formulation subsidy cost estimate but are known at the time of loan origination. They may include: the interest rate charged on loans, the extent of a guarantee, fees, repayment terms, collateral held, and other factors such as grace periods.

(q) ***Methodological assumptions*** are the technical practices used to develop subsidy cost estimates and loan modification cost estimates. These assumptions include methods and models or cash flow estimation, discounting methodology, and mathematical equations used in subsidy cost estimation. Agencies are required to use the same version of the OMB Credit Subsidy Calculator 2 within risk categories and cohorts.

(r) ***Modification*** means a Government action that (1) differs from actions assumed in the baseline estimate of cash flows and (2) changes the estimated cost of an outstanding direct loan (or direct loan obligation) or an outstanding loan guarantee (or loan guarantee commitment). The modification may be for a single loan or loan guarantee as well as a group; it may be any size; and it may affect pre–1992 direct loans and loan guarantees or post–1991 direct loans or loan guarantees. New legislation that alters the baseline cash flow estimate for a loan or group of loans always results in a modification.

A Government action may change the cost directly by altering the terms of existing contracts, selling loan assets (with or without recourse) or converting guaranteed loans to direct loans by purchasing them from a private lender. It also may change the cost indirectly by legislatively changing the way in which a portfolio of direct loans or guaranteed loans is administered. Examples of changes in the terms of existing loan contracts are forgiveness, forbearance, interest rate reductions, extensions of maturity, and prepayments without penalty. Examples of changes in loan administration are new methods of debt collection, such as using tax refunds to repay loans and restrictions on debt collections. If the baseline cost estimate does not assume an action, and the cost would be increased or decreased as a result of that action, the action is a modification.

Modifications do not include a Government action that is assumed in the baseline cost estimate, as long as the assumption is documented and has been approved by OMB. For example, modifications would not include routine administrative workouts (see section 185.3(ab)) of troubled loans or loans in imminent default. They also would not include a borrower's or the Government's exercise of an option that is permitted within the terms of an existing contract, such as a borrower prepaying the loan. The baseline subsidy estimate must include all anticipated actions by the Government, lenders, and borrowers that are permissible under current law and that affect the cash flow. Subsequently, if the cost estimate of an action by the borrower, lender, or the Government differs from what is anticipated in the documented baseline subsidy estimate, then the difference in cost is included in a reestimate. Assumptions underlying the subsidy estimates must be documented to assist in determining whether an action is a modification or a reestimate.

Modifications do not include additional disbursements to borrowers that increase the amount of an outstanding direct loan or an outstanding loan guarantee. These are treated as new direct loans or loan guarantees in the amount of the additional disbursement.

There are situations where it is not clear whether a Government action constitutes a modification or a reestimate. These situations should be judged on a case-by-case basis by OMB in consultation with the agency. They could include actions by the Government that are not addressed in existing contracts, management changes that are within an agency's existing specific authority for the loan program, and broad changes in agency policy (e.g., loan sale policy). In general, if the possibility of the action was explicitly included in the cash flows for the baseline subsidy estimate, and this can be documented, it would most likely be a reestimate. If not, it would most likely be a modification.

Modifications produce a one-time change in the subsidy cost of *outstanding* direct loans and loan guarantees. The effect of the Government action on the subsidy cost of direct loan obligations and loan guarantee commitments made after the date of the modification, if there is any effect, is not a modification. Instead, the effects are incorporated in the initial cost estimates for subsequent direct loan obligations and loan guarantee commitments.

(s) ***Modification cost*** means the difference between the estimate of the net present value of the remaining cash flows assumed for the direct loan or loan guarantee contract before and after the modification. The estimate of the remaining cash flows before the modification must be the same as assumed in the baseline for the most recent President's budget. The estimate of the remaining cash flows after the modification must be the pre-modification cash flows adjusted solely to reflect the effects of the modification.

An outstanding direct loan (or direct loan obligation) or loan guarantee (or loan guarantee commitment) can not be modified in a manner that increases its cost, unless budget authority for the additional cost has been provided in advance in an appropriations act. If the modification is mandated in legislation, the legislation itself provides the budget authority to incur a subsidy cost obligation (whether explicitly stated or not).

Budget authority, an obligation, and an outlay will be recorded in the year in which the legislation is enacted or the administrative discretion is exercised, or in the case of appropriations acts enacted before the fiscal year to which they apply, the year for which appropriations are provided. See section 185.7 for guidance on calculating modification costs.

(t) ***Modification adjustment transfer*** means an adjusting entry to correct for differences between current discount rates and cohort discount rates**.** When a post–1991 direct loan or loan guarantee is modified, a modification adjustment transfer must be made between the financing account and the general fund. The modification adjustment transfer adjusts for the disconnect between the discount rate used to calculate the cost of the modification and the interest rate at which the cohort pays or earns interest. These calculations and the budgetary treatment are explained in section 185.7.

(u) ***Negative subsidies*** mean subsidy costs that are less than zero. They occur if the present value of cash inflows to the Government exceeds the present value of cash outflows. In such cases, appropriations bills must still provide specific authority before direct loans or loan guarantees can be made, generally in the form of a loan limitation.

When a direct loan obligation or a loan guarantee commitment is made that has a negative subsidy, an amount equal to the negative subsidy will be obligated in the financing account. When the loan is disbursed, the financing account will pay the negative subsidy to the negative subsidy receipt account. The collections are recorded as offsetting receipts, and they offset the agency's budget authority and outlays. The accounting for negative subsidies is discussed in (v) below.

(v) ***Negative subsidy receipt accounts*** mean budget accounts for the receipt of amounts paid from the financing account when there is a negative subsidy for the original estimate (see section 185.3(u)). The receipt account is a general fund receipt account and amounts are not earmarked for the credit program. They are available for appropriation only in the sense that all general fund receipts are available for appropriation. Separate downward reestimate receipt accounts are used to record amounts paid from the financing account for downward reestimates (see section 185.3(y)).

At the discretion of the OMB representative with primary responsibility for the program, a special fund receipt account may instead be established for the purpose of earmarking the receipts for appropriation to the program (in which case a special fund expenditure account also will be established and merged with the program account). If the program is a discretionary program, these receipts are available for obligation only to the extent provided in annual appropriations acts. For mandatory programs, the receipts are permanently appropriated for subsidy costs but usually are available for administrative expenses only to the extent provided in annual appropriations acts.

Obligations may not be incurred against appropriations of the receipts until they have been credited to the receipt account. Because negative subsidy receipts are not credited to the receipt account until the underlying direct loan or guaranteed loan is disbursed, they might not become available in time to fund expenditures in a timely manner. Such situations might require an appropriation from the general fund to permit obligations to be made until receipts are available for obligation.

(w) ***Net proceeds***, when used in the context of loan asset sales, mean the amounts paid by the purchasers less all seller transaction costs (such as underwriting, rating agency, legal, financial advisory, and due diligence fees) that are paid out of the gross sales proceeds rather than paid as direct obligations by the agency. The net proceeds from the sale of an equity partnership are the same as defined above plus an estimate of the net present value of future cash inflows to the Government from the sale.

(x) ***Program account*** means a budget account that receives and obligates appropriations to cover the subsidy cost of a direct loan or loan guarantee and disburses the subsidy cost to the financing account. Program accounts usually receive a separate appropriation for administrative expenses.

(y) ***Reestimates*** mean revisions of the subsidy cost estimate of a cohort (or risk category) based on information about the actual performance and/or estimated changes in future cash flows of the cohort. Reestimates must be made immediately after the end of each fiscal year, as long as any loans in the cohort are outstanding, unless a different plan is approved by OMB (see section 185.6). An upward reestimate indicates that insufficient funds had been paid to the financing account, so the increase (plus interest on reestimates) is paid from the program account to the financing account to make it whole. Permanent indefinite budget authority is available for this purpose pursuant to section 504(f) of the FCRA. A downward reestimate indicates that too much subsidy had been paid to the financing account. The excess (plus interest) is disbursed to a downward reestimate receipt account. See Section 185.6 for guidance on calculating reestimates.

(z) ***Risk categories*** mean subdivisions of a cohort of direct loans or loan guarantees into groups that are relatively homogeneous in cost, given the facts known at the time of obligation or commitment. They are developed by agencies in consultation with the OMB representative with primary budget responsibility for the credit account. The number will depend on the size of the difference in subsidy cost between categories and the ability to predict it statistically based on facts known at origination.

Risk categories will group all direct loans or loan guarantees within a cohort that share characteristics predictive of defaults and other costs. They may be defined by characteristics or combinations of characteristics of the loan, the project financed, and/or the borrower. Examples of characteristics or indicators that may predict cost include:

- The loan-to-value ratio;
- The relationship between the loan interest rate and relevant market rates;
- Type of school attended for education loans;
- Country risk categories for international loans; and
- Various asset or income ratios.

Statistical evidence must be presented, based on historical analysis of program data or comparable credit data, concerning the likely costs of defaults, other deviations from contract, or other costs that are expected to be associated with the loans in that category.

(aa) ***Subsidy estimates*** mean estimates of budget authority and outlays for direct loan and loan guarantee subsidy costs for a cohort or risk category of direct loans or loan guarantees. Like budget estimates for non-credit programs, the budget includes both Presidential policy subsidy estimates and baseline subsidy estimates. Baseline subsidy estimates project the current year (CY) levels of subsidy costs into the outyears based on laws already enacted. Presidential policy subsidy estimates reflect the effect on subsidy costs of policies included in the budget, including any proposed legislation that would affect subsidy costs. See section 185.5 for guidance on calculating subsidy estimates.

(ab) ***Work-outs*** mean plans that offer options short of default or foreclosure for resolving troubled loans or loans in imminent default, such as deferring or forgiving principal or interest, reducing the borrower's interest rate, extending the loan maturity, or postponing collection action. Work-outs are expected to minimize the cost to the Government of resolving troubled loans or loans in imminent default. They should only be utilized if it is likely that the borrower will be able to repay under the terms of the work-out and if the cost of the work-out is less than the cost of default or foreclosure. For post–1991 direct loans and loan guarantees, the expected effects of work-outs on cash flow are included in the original estimate of the subsidy cost. Therefore, to the extent that the effects of work-outs on cash flow are the same as originally estimated, they do not alter the subsidy cost. If the effects on cash flow are more or less than the original estimate, the differences are included in reestimates of the subsidy and are not a modification.

185.4 Are there special requirements for reporting Antideficiency Act violations?

Yes. The special requirements for credit programs are provided in section 145.3.

185.5 How do I calculate the subsidy estimate?

(a) *General.*

You must provide subsidy estimates for both Presidential policy and the baseline for all budget accounts that have post–1991 direct loan obligations or loan guarantee commitments or that have modifications of pre–1992 direct loan or loan guarantee contracts. You must make subsidy estimates for each risk category. Under section 503(a) of the FCRA, OMB has the final responsibility for determining subsidy estimates, in consultation with the agencies.

Use the OMB Credit Subsidy Calculator 2 to discount all agency-generated estimates of cash flows to and from the Government. The OMB Credit Subsidy Calculator 2 and documentation provide explanation and examples of the discounting method and how the subsidy rate is calculated. All agencies must use the OMB Credit Subsidy Calculator 2 and discount rates to ensure government-wide comparability and uniformity of discounting. These can be obtained from the OMB representative with primary budget responsibility for the credit account.

Direct loan and loan guarantee subsidy costs are defined in sections 185.3(f) and (o). The subsidy cost is the estimated long-term cost to the Government of direct loans or loan guarantees calculated on a net present value basis, excluding administrative costs. For budget formulation (and execution), subsidy estimates are to be based on the economic and technical assumptions underlying the President's budget that is submitted for the fiscal year in which the funds will be obligated. For CY, this means using the economic and technical assumptions underlying the BY subsidy estimates contained in the President's budget for the previous year (adjusted for changes in terms of the contract or legislation enacted since the budget was transmitted; see section 185.24). For BY through BY+9, this means using the economic and technical assumptions in the President's Budget that will be submitted for BY.

For loans made, guaranteed, or modified in FY 2001 and thereafter, the cash flow that is estimated for each year (or other time period) is discounted using the interest rate on a marketable zero-coupon Treasury security with the same maturity from the date of disbursement as that cash flow; for example, a cash flow expected to occur one year after the date of disbursement will be discounted at the one-year zero-coupon Treasury rate. The discount rate assumptions for the budget will be provided by OMB in a file for use with the OMB Credit Subsidy Calculator 2. For estimates of credit subsidy cost in BY+1 through BY+9, please contact the OMB examiner with primary responsibility for the account regarding the appropriate discount rates for these estimates.

For direct loan programs where the borrower interest rate is tied to Treasury rates when the loan is made, agencies must use budget assumption interest rates based on the interest rate assumptions underlying the President's Budget for appropriate fiscal year of obligation, incorporating any relevant contractual terms associated with the borrower's interest rate.

For purposes of calculating loan guarantee subsidy estimates, the loan guarantee commitment is the full principal amount of the loan that is guaranteed, not just the portion guaranteed by the Government.

For credit programs with non-standard terms, including revolving facilities, please contact your primary OMB representative for further guidance.

(b) *Presidential policy subsidy estimates.*

Make separate subsidy estimates for all programs (discretionary and mandatory) for CY and BY. The steps for calculating the presidential policy estimates of subsidy budget authority and outlays (including negative subsidies) for a cohort (or risk category) of direct loans and loan guarantees are as follows:

- *Step 1.* Estimate the cash flows to and from the Government for the cohort of direct loans or loan guarantees obligated or committed in that year, for that year and each subsequent year for the life of the direct or guaranteed loan. If you have not finalized the requested amount of obligations or commitments, you may use any amount to calculate the subsidy estimate as long as the cash flows you have developed are based on that same amount. Discount these cash flows to the point of loan disbursement using the OMB Credit Subsidy Calculator 2. The difference between the present value of the cash outflows and inflows is the total subsidy (i.e., the subsidy cost) for the obligations or commitments made in that year. For calculations of subsidy cost in BY+1 through BY+9, agencies with separate credit subsidy cost estimates for each cohort should contact their OMB representative for the appropriate discount rates.

- *Step 2.* (Performed automatically by the OMB Credit Subsidy Calculator 2.) Calculate the subsidy rate for the cohort by dividing the subsidy cost by the direct loan obligations or loan guarantee commitments made in that year.

- *Step 3.* When the requested amount of direct loan obligations or loan guarantee commitments has been finalized, multiply the subsidy rate by the direct loan obligations or loan guarantee commitments to calculate budget authority (or offsetting receipts, in the case of negative subsidies) for the subsidy cost.

- *Step 4.* Subsidy outlays for each fiscal year are equal to the subsidy cost for all loans disbursed in that year, whether the loans or guarantees were obligated or committed in that year or in prior years.

(c) *Baseline subsidy estimates.*

The steps for calculating the baseline estimates of subsidy budget authority and outlays (including negative subsidies) for a cohort (or risk category) of direct loans and loan guarantees are as follows:

- *Step 1.* For discretionary programs, inflate the subsidy budget authority enacted for CY (the base year) to calculate the subsidy budget authority for BY through BY+9. The inflator is the annual adjustment factor for non-pay costs (the gross domestic product chain-type price index) provided in the economic assumptions for the President's budget that will be submitted for BY.

- *Step 2.* For mandatory programs, first calculate the subsidy rate as described above under "presidential policy estimates," excluding the effects of any legislative proposals. For cohorts BY+1 through BY+9, cashflows should be discounted using the appropriate out-year discount rates for each cohort. For each cohort year, multiply the subsidy rate by the baseline estimate of demand for loans to calculate the subsidy BA for that cohort.

- *Step 3.* For any programs with negative subsidies, first calculate the subsidy rate as described above under "presidential policy estimates," excluding the effects of any legislative proposals. Then multiply the subsidy rate by the baseline estimate of demand for loans, constrained by the estimated limitation, to calculate the amount of offsetting receipts. The limitation should be estimated by inflating the CY enacted limitation using the annual adjustment factor for non-pay costs (the gross domestic product chain-type price index) provided in the economic assumptions for the President's budget that will be submitted for BY.

- *Step 4.* Subsidy outlays for each fiscal year are equal to the subsidy cost for all loans disbursed in that year, whether the loans or guarantees were obligated or committed in that year or in prior years. For CY only, the total also includes outlays for reestimates and interest on reestimates. First calculate outlays expected from disbursements of loans obligated or committed in prior fiscal years; for example, the subsidy cost of a direct loan obligated in CY that disburses equally over 2 years will outlay 50 percent in the first year (CY) and 50 percent in the second year (BY). Then add outlays from disbursements of loans obligated or committed in that year. For CY only, you should also add outlays for reestimates and (although it is not part of the subsidy as such) add outlays for interest on reestimates.

185.6 How do I calculate reestimates?

(a) *General.*

Subsidy reestimates are made on direct loans and loan guarantees that have been disbursed. They are recorded in the current year column of the budget. (For example, the subsidy for direct or guaranteed loans disbursed during 2009 would be reestimated during 2010 and would be recorded in the 2010 column of the FY 2011 Budget.) A closing reestimate should be made once all the loans in the cohort have been repaid or written off.

Two different types of reestimates are made:

- Interest rate reestimates, for differences between discount rate assumptions at the time of formulation (the same assumption is used at the time of obligation or commitment) and the actual interest rate(s) for the year(s) of disbursement; and

- Technical reestimates, for changes in technical assumptions.

Interest rate reestimates of the subsidy cost of a cohort of direct loans or loan guarantees must be made when a cohort has substantially disbursed (i.e., when at least 90 percent of the direct loans or guaranteed loans have been disbursed). The computation should be made after the close of the fiscal year in which this criterion is met, unless a later time within the same fiscal year is approved by the OMB representative with primary budget responsibility for the credit account. You may calculate interest rate reestimates more frequently than under this requirement, including a final interest rate reestimate when the cohort has fully disbursed. If you decide to do so, consult with the OMB representative with primary responsibility for the account.

An interest rate reestimate will be made to adjust the subsidy estimate for the difference between the discount rates estimated at the time of formulation (the same assumptions are used at the time of obligation or commitment) and the actual interest rate(s) prevailing during the year(s) of disbursement. To calculate the size of this effect, all other assumptions (disbursement rates, default rates, etc.) must be identical to those used to calculate the original subsidy estimate. For those programs with variable interest rate supplements to the lender or with variable interest rates charged to the borrower, the original cash flow projections are adjusted to incorporate the actual interest rate(s) prevailing during the year(s) of disbursement and are subsequently adjusted after the end of each year so long as the loans are outstanding. Those programs that benchmark to Treasury rates for borrower's interest rates or interest subsidies to lenders will also update cashflow assumptions for the actual Treasury interest rates.

Technical reestimates of the subsidy cost of a cohort of direct loans or loan guarantees must be made after the close of each fiscal year as long as the loans are outstanding, unless a different plan is approved by the OMB representative with primary budget responsibility for the credit account. The different plan might be with regard to the time when reestimates are made within the year or the frequency of reestimates. If the plan allows reestimates to be made less frequently than every year, it should require reestimates to be made for any year when any one of the following four conditions is met:

(1) When required based on periodic schedules established in coordination with OMB, consistent with the unique attributes of each program (e.g., initially every two years after the cohort has been substantially disbursed, then every five years);

(2) When a major change in actual versus projected activity is detected (e.g., a loan that is large relative to the size of the portfolio goes into default or prepays substantially earlier than expected);

(3) When a material difference is detected through monitoring triggers developed in coordination with OMB. The triggers would focus on major data elements (e.g., total projected versus total actual cohort collections) rather than in-depth individual cohort analysis. Agencies should focus on a few major loan elements recognizing there are different key elements applicable to each program and different reporting problems; and

(4) When a cohort is being closed out.

Technical reestimates are made for all changes in assumptions other than interest rates. This type of reestimate compares the subsidy estimate that already includes any reestimate for actual interest rates with a reestimated subsidy using updated technical information (for defaults, fees, recoveries, etc.) as well as actual interest rates.

The purpose of technical reestimates is to adjust the subsidy estimate for differences between the original projection of cash flows (as estimated at obligation) and the amount and timing of cash flows that are expected based on actual experience, new forecasts about future economic conditions, and other events and improvements in the methods used to estimate future cash flows. Because actual cash flows are experienced every year and the ability to forecast future years also changes, this reestimate must be done after the end of every fiscal year as long as any loans are outstanding (except as provided above).

Reestimates must be made separately for each cohort. If a cohort is divided into risk categories, each risk category within a cohort must be reestimated separately. The reestimate will then be compared with the previous estimate. For this purpose, all details of the previous subsidy estimates by risk category should be retained in program records.

The requirements for recording reestimates in the budget and the financial statements are not identical. For both interest rate and technical reestimates, you should record reestimates in the budget whenever they have been made for the financial statements even if they are not otherwise required for the budget under the criteria of this chapter (e.g., if interest rate reestimates are made before the cohort is substantially disbursed, or if technical reestimates are made more often than under a plan OMB has approved). You should also be sure to record reestimates in the budget whenever they are required for the budget under the criteria of this section, even if they are not required for the financial statements (e.g., if reestimates are not material for the financial statements). Whenever reestimates are made less frequently than every year, the reestimate should cover cumulatively the entire period since the last reestimate.

(b) *Calculating interest rate reestimates.*

Use the following procedures to calculate interest rate reestimates, unless an alternative method has been approved by OMB. For further details, see the instructions accompanying the OMB Credit Subsidy Calculator 2 (the Calculator), available from the OMB representative with primary budget responsibility for the credit account.

- *Step 1*. Start with the original cash flows used to estimate the subsidy at obligation (on a risk category basis), updated only for actual interest rate(s) as outlined above.

- *Step 2*. Reestimate the subsidy rate using the OMB Credit Subsidy Calculator 2. The Calculator will use the actual average annual interest rates for the year in which the loans were disbursed. For programs that disburse over more than one year, the Calculator will determine a disbursement-weighted average discount rate (for cohorts before 2001) or single effective rate (for cohorts 2001 and after) based on actual average annual interest rates for each year in which loans have disbursed using the original disbursement assumptions. The Calculator will calculate a revised subsidy rate for the entire cohort. This is the interest rate reestimated subsidy rate.

- *Step 3*. Calculate the percentage point difference between this revised subsidy rate and the subsidy rate estimated at the time of obligation. For example, if the subsidy rate estimated at the time of obligation is 7 percent and the revised subsidy rate is 9 percent, then this difference is 2 percentage points. The Credit Subsidy Calculator 2 can automatically perform this calculation when performing technical reestimates, please see accompanying documentation for the Calculator for more information.

- *Step 4*. Multiply the dollar value of actual loan disbursements to date by the percentage point difference in the subsidy rates. For example, using the case in step 3, if $100 million in loans have been disbursed, then this amount would be $2 million ($100 million multiplied by 2 percentage points). The product is the cumulative interest rate reestimate.

- *Step 5*. To derive the additional interest rate subsidy reestimate for the current year, deduct previous interest rate reestimates (if any) (see (d) below).

(c) *Calculating technical reestimates.*

There are two methods for calculating technical reestimates: the traditional approach and the balances approach. Under the traditional approach, reestimates are performed by revising the original subsidy estimate cash flows to incorporate any available actual data and to update future year projected data for any changes in assumptions. Under the balances approach, reestimates are performed by comparing the net present value of projected future cash flows to the balance in the financing account. The OMB Credit Subsidy Calculator 2 can calculate both traditional approach and balances approach reestimated subsidy rates. The dollar reestimate is calculated using the balances approach. Both traditional and balances approach reestimates are required for each risk category/cohort, unless otherwise approved by OMB.

Agencies are required to use the OMB Credit Subsidy Calculator 2 for reestimate submissions for the President's Budget. The OMB Credit Calculator 2 is available from the OMB representative with primary budget responsibility for the credit account to assist with these calculations. For further details, see the documentation accompanying the OMB Credit Subsidy Calculator 2.

(d) *Calculating interest on reestimates.*

Interest on reestimates is the amount of interest that would have been earned or paid by each cohort on the subsidy reestimate, if that reestimate had been included as part of the original subsidy estimate. It is paid on the amount of the reestimate by the program account (for upward reestimates) or the financing account (for downward reestimates). The purpose is to put the financing account in the same position as if the subsidy cost had been estimated in the first place using the information that is incorporated in the reestimate. The interest rate to calculate the interest on reestimates is the same rate that is used to discount cash flows for the cohort. Interest on reestimates is calculated automatically by the OMB Credit Subsidy Calculator 2.

(e) *Financing account interest adjustments.*

The financing account interest adjustment corrects for the difference between the interest that should have been earned or paid on the financing account debt and cash balances, and the actual net financing account interest executed for the cohort. This allows agencies to correct for the period where interest was earned or paid using budget assumption interest rates before the actual rates were available. Financing account interest adjustments are included in the interest on reestimate for reporting purposes. The OMB Credit Subsidy Calculator 2 can automatically calculate the financing account interest adjustment for cohorts with historical data. Please see the documentation accompanying the OMB Credit Subsidy Calculator 2.

(f) *Reestimate increases/decreases.*

All increases or decreases in subsidy cost for different risk categories within the same cohort will be netted against each other; that is, risk categories which require increased subsidies may first draw on the excess from any risk categories within the cohort where the reestimate shows a subsidy decrease. No such netting may occur between cohorts.

If the reestimate indicates a net increase in the subsidy cost of the cohort as a whole since the last estimate or reestimate, an obligation in the amount of the net increase (plus interest) must be recorded against permanent indefinite budget authority available to the program account for this purpose. The obligation must be recorded separately in the program and financing schedule as "reestimates of direct loan subsidy" or as "reestimates of loan guarantee subsidy" (and as "interest on reestimates of direct loan subsidy" or as "interest on reestimates of loan guarantee subsidy"), so that it can be distinguished from obligations for the subsidy cost of new loans and loan guarantees. An equal amount of outlays from the program account to the financing account will be recorded when the reestimate is made. The interest rate to calculate the interest on upward reestimates is the same rate that is used to discount cash flows for the cohort.

When outlays for reestimates are recorded in the credit program account, an equal amount of offsetting collections will be recorded in the appropriate risk categories in the financing account. In the case of direct loans, the offsetting collections from the program account, together with repayments from borrowers, will be used to pay interest and repay principal on borrowing from Treasury and for other expenses. In the case of loan guarantees, the offsetting collections will be retained as unobligated balances, together with the unobligated balances of the original subsidy payment, fees, and interest, until needed to pay default claims and other expenses. Any unused balances of collections due to the reestimate will earn interest at the same rate as is paid on other funds held by the financing account for the same cohort.

If the reestimate indicates a net decrease in the subsidy cost of the cohort as a whole since the last estimate or reestimate, there is a downward reestimate. To keep the correct amount of balances in the financing account, an obligation and a financing disbursement in the amount of the net decrease (plus interest on the reestimate) must be recorded in the financing account. In the case of direct loans, the obligation will typically be financed with authority to borrow from the Treasury. In the case of loan guarantees, the obligation will typically be financed with unobligated balances. The obligation will be recorded in the program and financing schedule as "payment of downward reestimates" (and as "interest on downward reestimates"). The interest rate to calculate the interest on downward reestimates is the same rate that is used to discount cash flows for the cohort.

As a general rule, the financing disbursement for a downward reestimate (plus interest on the reestimate) will be made from the financing account to a general fund downward reestimate receipt account established for each credit program. The receipts will be recorded as offsetting receipts, which will offset the total budget authority and outlays of the agency and the budget subfunction of the program. However, at the discretion of the OMB representative with primary responsibility for the program, a special fund receipt account may instead be established.

If a special fund receipt account is used for the credit program and already exists, the downward reestimates and interest on reestimates will be recorded in a subaccount rather than a new special fund receipt account. Schedule N is required for these special funds (see section 86.4). When a special fund receipt account is used, the receipts from downward reestimates and interest on reestimates, like those from negative subsidies, are only available for obligation to the extent provided in advance in appropriations acts (except for mandatory programs, where they are immediately available for obligation). The normal provisions still apply: discretionary appropriations are required for discretionary subsidy costs, modifications, and administrative costs; mandatory appropriations are available for upward reestimates and mandatory programs.

(g) *Closing reestimates.*

Agencies will make a closing technical reestimate once all of the loans in a cohort have been either repaid or written off. This reestimate will be based on actual accounting systems data and will be used in closing the accounting books for the cohort. All the procedures that are described above for the technical reestimate and interest on reestimates are applied. Closing entries will be made in the accounting records.

The increases or decreases in subsidy cost for different risk categories within the same cohort will be netted against each other; that is, risk categories which require increased subsidies may first draw on the excess from any risk categories within the cohort where the reestimate shows a subsidy decrease. No such netting may occur between cohorts.

185.7 How do I calculate and record modifications?

When a direct loan or loan guarantee is modified, the subsidy cost of the modification must be calculated. The subsidy cost calculation will indicate whether the Government action changes the subsidy cost. If there is no change in cost, there will be no budgetary effect, and nothing needs to be recorded in the budget. If the modification will increase or decrease the cost, the budgetary effect must be recorded as described under modification cost increases/decreases below. Additional transfers to or from the financing account will be required, with the type of transfer depending on whether the modification affects pre–1992 or post–1991 direct loans and loan guarantees. These additional transfers are described in a separate subsection below.

The subsidy cost of the modification is the difference between the estimate of the net present value of the remaining cash flows for the direct loan or loan guarantee before and after the modification. The estimate of remaining cash flows before modification must be the same as assumed in the baseline for the most recent President's budget. The estimate of remaining cash flows after modification must be the pre-modification cash flows adjusted solely to reflect the effects of the modification.

(a) Estimating the modification subsidy cost.

The modification subsidy cost is calculated using the steps below (where cash flows to the Government have positive signs and cash flows from the Government have negative signs). Note: If you are using cash flows prepared for the Credit Subsidy Calculator 2, you may need to adjust the signs for the following modification calculation. <u>These steps must be followed for each cohort affected by the modifying action.</u>

- ***Step 1*. Calculate the net present value of remaining pre-modification cash flows**. Use the reestimated cash flows from the most recent President's budget. If applicable, exclude prior year cash flow data; calculations should be made using only the estimated flows for the current and future years. Discount these cash flows using the discount rates assumed in formulating the subsidy estimates in the President's Budget for the year in which the modification takes place. For example, if the modification will occur in 2009, then the discount rates used to discount the cash flows will be the interest rates used to formulate the 2009 President's Budget.

- ***Step 2*. Calculate the net present value of remaining post-modification cash flows**. Use the same cash flows used in step 1 above, modified only to reflect the effect of the modification. Do not alter the cash flows to reflect any other changes that may have occurred between the most recent President's Budget and the time of the modification. Use the same discount rates as in step 1 above to discount these post-modification cash flows. If a loan asset is sold, in most cases the post-modification cash flows will be the net proceeds expected from the sale (see section 185.8) and no discounting is necessary. Contact your OMB representative with questions on calculations for loan asset sales.

- ***Step 3*. Compute the cost of the modification.** This is equal to step 1 minus step 2. The results of this calculation will be positive, negative, or zero. A positive estimate indicates that the Government will incur an additional subsidy cost because of the modification. A negative estimate indicates that the Government is achieving savings.

(1) *Cost increases*. Modifications may be made only to the extent that budget authority for the additional cost has been provided in advance and is available in the program account. At the time that a modification is made, record an obligation in the amount of the estimated increase in subsidy cost against budget authority in the program account. At the same time, record an outlay in the amount of the increase in the subsidy cost from the program account to the appropriate direct loan or guaranteed loan financing account. Simultaneously, record an equal amount of offsetting collections in the financing account.

In the case of *direct loans*, the offsetting collections in the financing account will be credited to the cohort and risk category of the modified loan and will be used to pay interest and to repay debt owed to Treasury and for other expenses. In the case of *loan guarantees*, the offsetting collections will be credited to the cohort and risk category of the modified loan guarantee and will be retained as unobligated balances until needed to pay default claims and other expenses. The additional balances due to the modification will earn interest at the same rate as is paid on other funds held by the financing account for the same cohort.

(2) *Cost decreases.* At the time that a modification is made, record an obligation in the amount of the estimated decrease in subsidy cost in the financing account. In the case of a direct loan modification, record the obligation against authority to borrow from the Treasury. In the case of a loan guarantee, record the obligation against unobligated balances for the cohort, or if unobligated balances are insufficient, against authority to borrow. At the same time, record in the financing account an equal disbursement to the negative subsidy receipt account established for each credit program.

See sections 185.10, 185.11, and 185.30 for additional information on recording these transactions for budget formulation and execution.

(b) Estimating the modification adjustment transfer.

The above calculation is the cost of the modification. However, for post–1991 direct loans or loan guarantees, an additional calculation must be accomplished to account for the disconnect between the discount rate used to calculate the cost of the modification and the interest rate at which the cohort pays or earns interest. If the only transfer made between the financing account and the general fund was for the change in the subsidy cost, the resources of the financing account would be out of balance. This imbalance is corrected by a modification adjustment transfer between the financing account and the general fund. The transfer is not an outlay or an offsetting collection because it does not represent a cost to the Government of the loan or the guarantee. Instead, it is a facilitating adjustment that makes the present value of the assets and liabilities held by the financing account come out even.

To compute the modification adjustment transfer, one needs to follow the following steps:

- ***Step 4*. Calculate the net present value of remaining pre-modification cash flows using cohort interest rates**. Take the pre-modification cash flows from step 1 and compute the net present value of these cash flows using the applicable cohort interest rate (as opposed to the President's Budget formulation discount rates used in step 1).

- ***Step 5*. Calculate the net present value of remaining post-modification cash flows using cohort interest rates.** Take the post-modification cash flows from step 2 and compute the net present value of these cash flows using the applicable cohort interest rate (as opposed to the President's Budget formulation discount rates used in step 2).

- ***Step 6.* Compute the difference between step 4 and step 5.** This is equal to step 4 minus step 5.

- ***Step 7.* Compute the modification adjustment transfer (MAT).** This is equal to step 6 minus step 3. If the MAT is negative, then the MAT should be transferred from the financing account to the general fund. If the MAT is positive, then the MAT should be transferred from the general fund to the financing account.

If the financing account makes a modification adjustment transfer to the general fund, this transfer is recorded on line 6927 of the program and financing schedule, "Capital transfer to general fund." This corresponds to line 6C on the SF132 apportionment. The transfer and the modification subsidy cost together produce the following transactions with Treasury:

- If a loan guarantee is modified, the financing account's offsetting collection for the modification cost increases the unobligated balance (line 2440 of the program and financing schedule). The capital transfer to the general fund reduces the amount by which the unobligated balance is increased. (The amount of the increase shown on line 2440 is net of the capital transfer.) Subsequent interest earnings on the addition to the balance are lower than they would have been without the capital transfer.

- If a direct loan is modified, the financing account's offsetting collection for the modification cost is used to reduce debt owed to Treasury (line 6947 of the program and financing schedule, "Portion applied to debt reduction"). The capital transfer reduces the amount by which the debt is reduced. (The amount of the increase shown on line 6947 is net of the capital transfer.) Subsequent interest paid to Treasury is higher than it would have been without the capital transfer.

- For modification adjustment transfers to the general fund, the general fund will collect the modification adjustment transfer in a non-budgetary capital transfer receipt account. There will be one receipt account to collect the modification adjustment transfers from all financing accounts.

If the financing account receives a modification adjustment transfer from the general fund, this is recorded in the financing account as a permanent appropriation (line 6000 of the program and financing schedule, "Appropriation"). This corresponds to line 3A1 on the SF132 apportionment. Cite the Federal Credit Reform Act, P.L. 101-508, as the law providing budget authority for the modification adjustment transfer. The transfer and the modification subsidy cost together produce the following transactions with Treasury:

- If a loan guarantee is modified, the financing account's offsetting collection for the modification cost increases the unobligated balance (line 2440 of the program and financing schedule). The modification adjustment transfer also increases the unobligated balance (line 2440). Subsequent interest on uninvested funds is higher than it would have been without the modification adjustment transfer.

- If a direct loan is modified, the offsetting collection for the modification cost is used to reduce debt owed to Treasury (line 6947 of the program and financing schedule, "Portion applied to debt reduction"). The modification adjustment transfer is also used to reduce debt owed to Treasury (line 6047, "Portion applied to debt reduction"). Subsequent interest paid to Treasury is lower than it would have been without the modification adjustment transfer.

(c) Additional financing account transfers for modifications of pre–1992 direct loans and loan guarantees.

When modifications are made to pre–1992 direct loans and loan guarantees, the immediately following approach (#1) should be used, unless the OMB representative for the credit program approves using the alternative approach (described in #2 below).

1) *Transfer of asset or liability to financing account*. Pre–1992 direct loans and loan guarantees are held in liquidating accounts until they are modified. When they are modified, they are "purchased" from the liquidating account by the financing account. The direct loan asset or loan guarantee liability will be transferred from the liquidating account to the financing account, and a one-time adjusting payment will be made between the two accounts. The adjusting payment will equal the estimated net present value of the pre-modification cash flows. At the same time, the cost (or savings) of the modification will flow to or from the financing account. When the transaction is complete, the newly modified loan or guarantee will reside in the financing account. This process is accomplished by the following steps:

- ***Step 1*. Calculate the net present value of remaining pre-modification cash flows**. Calculations should be made using only the baseline estimated net cash flows in the liquidating account from the most recent President's Budget for the current and future years. Discount these cash flows using the discount rates assumed in formulating the subsidy estimates in the President's Budget for the year in which the modification takes place. For example, if the modification will occur in 2009, then the discount rates used to discount the cash flows will be those used to formulate the 2009 President's Budget.

- ***Step 2*. Calculate the net present value of remaining post-modification cash flows**. Use the same cash flows as in step 1 above, modified only to reflect the effect of the modification. Do not alter the cash flows to reflect any other changes that may have occurred between the most recent President's Budget and the time of the modification. Use the same discount rates as in step 1 above to discount these post-modification cash flows. If a loan asset is sold, in most cases the post-modification cash flows will be the net proceeds expected from the sale (see section 185.8) and no discounting is necessary. Contact your OMB representative with questions on calculations for loan asset sales.

- ***Step 3*. Compute the adjusting payment.** If the net present value computed in step 1 above is positive (representing future collections to the government), then the adjusting payment for the purchase of the loan or guarantee will flow from the financing account to the liquidating account to compensate the liquidating account for this loss of expected inflow. An obligation and a disbursement will be recorded in the financing account in the amount of the adjusting payment.

The liquidating account will record offsetting collections equal to the adjusting payment, which it will use to repay debt owed to Treasury or to transfer to the general fund as a capital transfer.

- If the net present value computed in step 1 above is negative (representing future claims on the government), then the adjusting payment will flow from the liquidating account to the financing account to compensate the financing account for its new burden of expected outflows. Unobligated balances and permanent indefinite appropriations to the liquidating account will be used to make the payment. Outlays will be recorded in the liquidating account in the amount of the payment when it is made. The financing account will record an equal amount of offsetting collections.

- ***Step 4.*** **Compute the cost of modification**. This is equal to step 1 minus step 2. The results of this calculation will be positive, negative or zero. If the cost is positive, this amount should be outlayed from the program account to the financing account. If the cost is negative (a savings), then this amount should be paid from the financing account to the negative receipt account. For information on recording these transactions, see 185.7 (a) (1 and 2).

The adjusting payment computed in step 3 and the modification cost/savings computed in step 4 are moved simultaneously on the same governing apportionment. Either an adjusting payment or a modification savings (or both) may require the financing account to borrow funds from Treasury in order to accomplish the outflowing payment. If this occurs, collections from the assets purchased by the financing account will be used to pay interest and repay debt owed to Treasury.

2) *Assets retained by liquidating account.* Subject to the approval of the OMB representative for the credit program, some loans or guarantees may remain in the liquidating account after modification. This method might be used if a modification affects a large number of direct loans or loan guarantees and it would be less complicated for the liquidating account to retain the assets or liabilities. In these cases, the modification process is accomplished by the following steps:

- ***Step 1***. See step 1 in (c)(1) above.

- ***Step 2***. See step 2 in (c)(1) above.

- ***Step 3.*** **Compute the cost of modification**. This is equal to step 1 minus step 2. The results of this calculation will be positive, negative or zero. If the cost is positive, this amount should be outlayed from the program account to the financing account. The financing account will then obligate and disburse the same amount to the liquidating account to compensate it for the reduced asset or increased liability. The liquidating account will record offsetting collections, which it will use to pay current obligations or to repay debt. If the cost is negative (a savings), the liquidating account will use permanent indefinite authority to make a payment to the financing account equal to the modification savings. The financing account will consequently record offsetting collections, which it will pay to the negative subsidy receipt account for the credit program. Because both modification costs and savings result in equalizing flows among the program, financing, liquidating, and negative subsidy receipt accounts (as applicable), neither a modification cost nor savings directly causes a net change in the surplus or deficit. However, interest, repayments, default claims, and other loan cashflows may change both in that year and in future years.

See section 185.31 for specific guidance on reporting these transactions for budget execution.

(d) *Single cohort for modifications of pre–1992 direct loans or loan guarantees.*

All modifications of pre–1992 direct loans and loan guarantees for a given program will be accounted for in a single direct loan cohort or a single loan guarantee cohort.

185.8 What must I know about the sale of loan assets?

(a) *General.*

Under the Debt Collection Improvement Act of 1996, credit agencies with over $100 million in loan assets are expected to sell delinquent loan assets that meet the criteria described in (b). This applies to loan assets held by both liquidating and financing accounts. The cash flows used to calculate the baseline subsidy rates for existing cohorts should be adjusted to reflect this policy, as should the cash flows used to estimate the subsidy rates for future cohorts. Modifications of this policy that increase the cost will have to be covered by appropriations of subsidy budget authority. Differences between the estimated and actual sale proceeds due to market conditions will be treated as reestimates.

Agencies are also encouraged to explore selling performing loan assets to the extent such sales would benefit the Government. In such cases, the procedures, analysis, and methods for selling performing assets are the same for selling delinquent loan assets.

(b) *Loan asset sale criteria.*

Loan assets that are more than one year delinquent should be sold, except for the following categories of loans:

- Loans to foreign countries or entities.
- Loans in structured forbearance, when conversion to repayment status is expected within 12 months or after statutory requirements are met.
- Loans that are written off as unenforceable due to death, disability, or bankruptcy.
- Loans that have been submitted to Treasury for offset and are expected to be extinguished within three years.
- Loans in adjudication or foreclosure.

Performing loan assets may be sold as well, either alone or in conjunction with delinquent loan assets, to the extent that such sales provide benefits to either the program or the Government as a whole.

Agencies should consult the OMB representative with primary responsibility for the account to determine which loan assets meet these criteria.

(c) *Justification for non-compliance.*

If an agency can demonstrate that the present value of cash flows associated with continued Government ownership of the loan assets would exceed the expected sale proceeds, the agency may not be required to sell the loan assets. Also, if there is a serious conflict between selling loan assets and Administration policy for the program, and the agency can justify to the satisfaction of their OMB representative that the sale policy cannot be reconciled with the program policy, the agency may not be required to sell the loan assets. Agencies should consult with the OMB representative with primary responsibility for the program if they believe either of these tests would be met.

(d) *Cost of loan asset sales.*

If the cash flows for existing loans do not incorporate an explicit assumption about the sale of loan assets, the sale is a modification, whether the loan assets are held by financing accounts or liquidating accounts. Otherwise, the sale is part of the subsidy estimates for Presidential policy and the baseline, and differences between the estimated and actual sale proceeds are a reestimate.

If the sale is a modification, the cost would equal the difference between the net sale proceeds and the estimated value to the Government, on a present value basis, of continuing to own the loan asset (the "hold value"). The method for calculating the hold value is the same as for calculating the net present value of cash flows before modification, as outlined in section 185.7(a).

The modification cost of multiple sales with closing dates in the same fiscal year is the sum of the cost or saving calculated for each sale of loans within the same cohort or risk category. The closing date of a sale is the date on which the seller and the buyer(s) close the transaction and title of the assets legally transfer to the buyer(s). Therefore, for loans within the same cohort or risk category, a modification cost for one sale can be offset by a modification saving for a different sale within the same fiscal year. For sales that include loans from more than one cohort or risk category, a single modification cost or savings is first calculated for all of the loans sold, and the cost or savings is subdivided among each of the cohorts or risk categories.

Loan assets that are sold with recourse are treated as a combination of a sale without recourse and a new loan guarantee. The cost of the provision for recourse is estimated separately from the cost of the loan asset sale, and the subsidy for its cost, as well as the cost of the implicit loan sale without recourse, must be appropriated in advance of the sale. Sales with recourse are not permitted except where they are specifically authorized by statute.

If the Government takes an equity stake (or participation) in the cash flow of the sold assets, such as a joint venture or equity-held sale, the net sale proceeds equal the actual cash proceeds plus an estimate of the present value of the proceeds from the Government's equity position, net of any transaction costs.

You may pay certain direct costs of loan asset sales from the gross proceeds of those sales. In general, the guidelines for whether an expense should be paid from the administrative expense appropriation or from asset sale proceeds are similar to those for determining whether an expense should be paid from the administrative expense appropriation to the program account or from the financing account (see section 185.3(a)). Generally, costs that may be paid from proceeds include:

- Underwriting;
- Rating agency;
- Due diligence;
- Legal; and
- Transaction financial advisory fees.

These costs are part of the cash flows used to calculate net sale proceeds to determine the modification cost of the sale (if the sale constitutes a modification) or to reestimate the subsidy cost on a cohort in which loan assets have been sold (if the sale is not a modification).

The costs of Government personnel, travel, computer systems, etc., associated with the development and execution of a loan asset sales program, as well as the cost of any contracts for asset sale program financial advisory services, should be paid from the agency's administrative expense appropriation. Questions about whether a specific cost should be paid from the administrative expense appropriation or sale proceeds should be directed to OMB.

(e) *OMB review of sales.*

No sale may occur without the approval of the OMB examiner. After identifying loans that meet the criteria described in (b), agencies must develop a plan for selling these loans in consultation with their OMB examiner. In addition, at least 30 calendar days prior to the scheduled final bid day (the last date on which a buyer may submit a bid to the seller), the agency must submit for approval to the OMB representative with primary responsibility for the program the following information:

- The expected date of sale;
- A description of the loans to be sold (including balances, business program under which the loans were originated, and current payment status);
- The estimated hold value, with relevant supporting documents and analysis;
- The estimated net sale proceeds, with relevant supporting documents and analysis;
- The estimated modification cost, whether positive, negative, or zero; and
- An evaluation of relevant previous asset sales, including the hold values, net sale proceeds, and positive/negative subsidy generated from each, if applicable.

Three weeks after the sale, an agency must advise the OMB examiner of the actual amount of the proceeds realized from the sale and the actual amount of the transaction costs that were paid from the proceeds.

185.9 What are the budget formulation reporting requirements for credit accounts?

Each program making or having outstanding post–1991 direct loans or loan guarantees will have at least two and as many as six types of accounts, even if the Administration is proposing to terminate the program or the program has been previously terminated:

- A program account.
- A financing account for direct loan obligations, if any.
- A financing account for loan guarantee commitments, if any.
- A negative subsidy receipt account for negative subsidies, if any.
- A downward reestimate receipt account for downward reestimates, if any.
- A liquidating account for pre–1992 direct loans and loan guarantees, if any.

Generally, the print materials and MAX schedules required for credit program, financing, liquidating, and negative subsidy receipt accounts are listed below. References to applicable A–11 sections are also provided.

SUMMARY OF REQUIREMENTS

Requirement	Program	Financing	Liquidating	Receipt
Appropriations language (section 95)				
Narrative statement (section 95)		✓	✓	

Requirement	Program	Financing	Liquidating	Receipt
Schedule P (PY-BY) (section 82)	✓	✓	✓	
Schedule O (PY-BY) (section 83)	✓		✓	
Schedule N (PY-BY) (section 86)	✓			
Schedule U (PY-BY) (section 185)	✓			
Schedule A (PY-BY+9) (section 81)	✓		✓	
Schedule S (CY-BY+9) (section 81)	✓		✓	
Schedule C (PY-BY) (section 84)	✓		✓	
Schedule G (PY-BY+4) (section 185)		✓	✓	
Schedule H (PY-BY+4) (section 185)		✓	✓	
Schedule R (PY-BY+9) (section 81)				✓
Schedule K (PY-BY+9) (section 81)				✓
Schedule Y (CY-BY+9) (section 185)		✓	✓	
Schedule F (PY-1-PY) (section 86)		✓	✓	

Separate schedules are required for supplemental requests and proposed legislation items for all credit accounts (see 79.2 and 82.10). These schedules show the effect of the supplemental request or proposed legislation on the information presented in the regular schedules for the program. For post-1991 credit programs, amounts reflected in related credit program accounts, financing accounts, and receipt accounts must agree. Cross-account edit checks and other credit-account edit checks are included in Appendix D.

A written justification is required for all new credit programs or for reauthorizing, expanding, or significantly increasing funding for existing credit programs. The justification must address the Federal credit policies and guidelines contained in OMB Circular No. A–129. For more information on required budget justification materials, see section 51.

185.10 What do I report for program accounts?

Program accounts are required for post–1991 direct loan obligations or loan guarantee commitments and for modifications of pre–1992 direct loans and loan guarantees. They record budget authority, obligations, and outlays for subsidy costs and the administrative expenses of a credit program (including administrative expenses for pre–1992 direct loans and loan guarantees). In most cases, current, definite budget authority is provided in appropriation acts for subsidy payments (except for entitlements, which have permanent indefinite budget authority) and administrative expenses. Permanent indefinite authority is available for reestimates and interest on reestimates.

(a) *Program and financing schedule (schedule P).*

Use the following line number scheme in the "obligations by program activity" section of the program and financing schedule (see exhibit 185A):

SELECTED P&F ENTRIES IN PROGRAM ACCOUNTS

Line number	Description
	OBLIGATIONS BY PROGRAM ACTIVITY:
0001	Direct loan subsidy
0002	Loan guarantee subsidy
0003	Subsidy for modifications of direct loans
0004	Subsidy for modifications of loan guarantees
0005	Reestimates of direct loan subsidy
0006	Interest on reestimates of direct loan subsidy
0007	Reestimates of loan guarantee subsidy
0008	Interest on reestimates of loan guarantee subsidy
0009	Administrative expenses

(b) *Object classification (schedule O).*

Record all direct expenses in the appropriate object class. To record subsidy obligations, use object class 41, "Grants, subsidies, and contributions." For administrative expenses transferred to a salaries and expenses account, use object class 25.3, "Other purchases of goods and services from Government accounts." In the salaries and expenses account receiving the transfer, record reimbursable obligations for administrative expenses using a "2" as the first digit of the line number. (See section 83 for more information about the classification of reimbursable programs in the object class schedule.)

(c) *Loan levels and subsidy (schedule U).*

Prepare a schedule of loan levels (see exhibit 185B), subsidy budget authority, subsidy rate, subsidy outlays, and reestimates for each program account. These data are displayed by program or by program and risk category. The titles of the stub entries should be tailored to identify the program to which each entry belongs. To add or modify a risk category, please contact your primary OMB representative.

Note that in each column, some entries are reported by cohort while others (reestimates) are reported for combined cohorts. Although no outyear data are collected in schedule U, you may be required to provide outyear data by your OMB representative. Schedule U data is identified by a four-digit line number and a two-digit suffix. The four-digit number identifies data by category (e.g., direct loan subsidy budget authority). The two-digit suffix differentiates between the various risk categories reported in the schedule unless the line is a total line. Subsidy rates and reestimates for direct loan and guaranteed loan programs entered into MAX are controlled by edit-checks based on calculations that have been reviewed and approved by OMB (see sections 185.5 and 185.6). If you have questions about the approved values, please contact your primary OMB representative. MAX will automatically generate the summary data for line entries indicated in **boldface** below.

DATA REQUIREMENTS FOR SCHEDULE U

Entry	Description
Direct loan levels supportable by subsidy budget authority**:**	
1150xx Direct loan levels	Equals the amount of direct loans that can be obligated with the subsidy budget authority available in that year. Include loan volume reestimates, if any, in PY. The loan volume reestimate should match schedule G in the financing account. For PY, enter the actual level of loans obligated, which may include limitation from carry forward or may be less than the full limitation appropriated. For CY and BY, enter the expected level of loans to be obligated, including the unused portion of multi-year loan limitations that are carried forward. In the PY and CY, loan levels may be less than enacted loan limitations, as Congress may enact limitations that are not achievable with the subsidy budget authority provided. However, in the BY, loan levels supportable by the subsidy requested must equal the direct loan limitation. These data are required even if the subsidy rate is zero or negative.
115999 Total direct loan levels	The sum of all lines 1150.
Direct loan subsidy (in percent):	
1320xx Subsidy rate (+ or –)	The 1320 data line series presents data in percentages on the subsidy costs inherent in making a cohort of direct loans. In the PY column, the rate should be the actual execution rate. In the CY column use the budget execution rate. Note that the subsidy rate (in percent) must be rounded to the nearest hundredth of one percent and entered into MAX with decimal points. For example, enter 50.503 as 50.50; 5.05 percent as 5.05; and 0.5 percent as 0.5. Amounts should be shown, even if zero or negative.
132999 Weighted average subsidy rate	The disbursement weighted average sum of all lines 1320 above is automatically calculated by multiplying each subsidy rate detail line (lines 1320) by a weighting factor. The weighting factor is calculated by dividing the corresponding direct loan level (lines 1150) by the total direct loan level (line 1159). A weighted average subsidy rate should not be zero when a positive subsidy program is included in the calculation. For non-zero transmittal codes, this is the change to the subsidy rates reported under transmittal code zero, not the new rates.
Direct loan subsidy budget authority:	
1330xx Subsidy budget authority (+ or –)	The 1330 data line series presents data in dollars on the subsidy costs inherent in making direct loans. In the PY column, the amount is equal to subsidy obligated. In the CY column, the amount will equal the amount appropriated for subsidies plus unobligated balances eligible to be carried forward. The BY column will show the requested subsidy amount and must agree with amounts in appropriations language. Report even if the subsidy is negative.
133999 Total subsidy budget authority	The sum of all lines 1330 above.
Direct loan subsidy outlays:	
1340xx Net subsidy outlays	The 1340 data line series presents data on the amount of subsidy disbursed in a given year for new direct loans. An outlay is recorded in the program account at the time of disbursement of the

Entry	Description
	loan to the borrower. Report outlays from both new budget authority and from balances on this line. This line shows the sum of lines 1341xx and 1342xx.
1341xx Negative subsidy outlays	Report negative subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 1340.
1342xx Positive subsidy outlays	Report positive subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 1340.
134999 Total subsidy outlays	The sum of all lines 1340 above.
Direct loan upward reestimate:	
1350xx Upward reestimate	The 1350 data line series presents data on the amount of upward reestimate paid to the financing account in any given year. Report upward reestimates for all outstanding fiscal year cohorts for which upward reestimates are paid to the financing account. Report amounts in PY and CY only.
135999 Total upward reestimate	The sum of all lines 1350 above.
Direct loan downward reestimate:	
1370xx Downward reestimate (–)	The 1370 data line series presents data on the amount of downward reestimate paid out of the financing account in any given year. Report downward reestimates for all outstanding fiscal year cohorts for which downward reestimates will be paid out of the financing account. Report amounts in PY and CY only.
137999 Total downward reestimate	The sum of all lines 1370 above.
Guaranteed loan levels supportable by subsidy budget authority:	
2150xx Loan guarantee levels	Equals the full principal amount, not just the portion guaranteed by the Government, of guaranteed loans that can be supported by the amount of new subsidy budget authority requested or available in that year. Include loan volume reestimates, if any, in PY. The loan volume reestimate should match schedule H in the financing account. For PY and CY, the level of guaranteed loan commitments may include limitation from carryforward or may be less than the full limitation appropriated. In the PY and CY, loan levels may be less than enacted loan guarantee limitations, as Congress may enact limitations that are not achievable with the subsidy budget authority provided. However, in the BY, loan levels supportable by the subsidy must equal the guaranteed loan limitation. These data are required even if the subsidy rate is zero or negative.
215999 Total loan guarantee levels	The sum of all lines 2150.
Guaranteed loan subsidy (in percent):	
2320xx Subsidy rate (+ or –)	The 2320 data line series presents data on the subsidy costs inherent in making a cohort of loan guarantees. In the PY, the rate should be the actual execution rate. In the CY column use the budget execution rate. Note that the subsidy rate (in percent) must be rounded to the nearest hundredth of one percent and entered into MAX with decimal points. For example, 50.503 percent will be entered as 50.50; 5.05 percent as 5.05; and 0.5 percent as 0.5.

Entry	Description
	Amounts should be shown, even if zero or negative.
232999 Weighted average subsidy rate	The disbursement weighted average of all lines 2320 above is automatically calculated by multiplying each subsidy rate detail line (lines 2320) by a weighting factor. The weighting factor is calculated by dividing the corresponding guaranteed loan level (lines 2150) by the total guaranteed loan level (line 2159). For non-zero transmittal codes, this is the change to the subsidy rates reported under transmittal code zero, not the new rates.
Guaranteed loan subsidy budget authority:	
2330xx Subsidy budget authority (+ or –)	The 2330 data line series presents data in dollars on the subsidy costs inherent in making a cohort of guaranteed loans. It does not include unobligated balances eligible to be carried forward for BY and CY. For PY only, budget authority should reflect both new and carry forward used. In the CY column, the amount will equal the amount appropriated for subsidies plus unobligated balances eligible to be carried forward. The BY column will show the requested subsidy amount and must agree with amounts in appropriations language. Report even if the subsidy is zero or negative.
233999 Total subsidy budget authority	The sum of all lines 2330 above.
Guaranteed loan subsidy outlays:	
2340xx Net subsidy outlays (+ or –)	The 2340 data line series presents data on the amount of subsidy disbursed in a given year for new loan guarantees. An outlay is recorded in the program account at the time the lender disburses the loan to the borrower. Report outlays from both new budget authority and from balances on this line. Report even if the subsidy is negative.
2341xx Negative subsidy outlays	Report negative subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 2340.
2342xx Positive subsidy outlays	Report positive subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 2340.
234999 Total subsidy outlays	The sum of all lines 2340 above.
Guaranteed loan upward reestimate:	
2350xx Upward reestimate	The 2350 data line series presents data on the amount of upward reestimate paid to the financing account in any given year. Report upward reestimates for all outstanding fiscal year cohorts for which upward reestimates are paid to the financing account. Report amounts in PY and CY only.
235999 Total upward reestimate	The sum of all lines 2350 above.
Guaranteed loan downward reestimate:	
2370xx Downward reestimate (–)	The 2370 data line series presents data on the amount of downward reestimate paid out of the financing account in any given year. Report downward reestimates for all outstanding fiscal year cohorts for which downward reestimates will be paid out of the financing account. Report amounts in PY and CY only.

Entry	Description
237999 Total downward reestimate	The sum of all lines 2370 above.
Administrative expense data:	Report lines 3510–3590 for all program accounts.
351001 Budget authority	Budget authority provided or requested for administrative expenses for both direct and guaranteed loan programs.
358001 Outlays from balances	Outlays for administrative expenses from prior year obligated balances.
359001 Outlays from new authority	Outlays for administrative expenses from new budget authority.

185.11 What do I report for financing accounts?

Financing accounts record the cash flows associated with post–1991 direct loan obligations or loan guarantee commitments and for modifications of all direct loans and loan guarantees. These cash flows include loan disbursements, payments for guarantee claims, principal repayments, interest received from borrowers, interest paid on borrowing, interest earned on uninvested funds, interest supplements, fees and premiums received, and recoveries on defaults. Separate financing accounts are used for direct loan obligations and loan guarantee commitments. As for all other accounts, changes due to legislative proposals should be reflected in the appropriate transmittal code (see 79.2, 82.10).

(a) *Program and financing schedules (schedule P)*

Use the following line number scheme in the "obligations by program activity" section of the program and financing schedule for financing accounts (see exhibits 185C and 185F):

SELECTED P&F ENTRIES IN FINANCING ACCOUNTS

Entry	Description
Obligations by program activity:	
Stub entries should describe the transactions reported below.	
0001 Direct loan obligations -- or --	Obligations for post–1991 direct loan disbursements (equal to face value). Equal to the total direct loan obligations on line 1159 in schedule U of the program account.
0001 Default claim payments	Obligations for default claim payments on post–1991 loan guarantees. Equal to the sum of terminations for default in schedule H, lines 2261-2263.
0002 Payment of interest to Treasury	Interest on debt owed to Treasury (calculated at the same rate as the discount rate for the cohort). Tools are available from OMB to calculate interest income and interest expense.
0003–0009	Other entries for obligations, such as interest supplements to lenders or other expenses.
0801 Negative subsidy obligations	Obligations for negative subsidies to be paid to the negative subsidy receipt account for the credit program. Equal to the sum of negative subsidy obligations on lines 1330 or 2330 in schedule U of the program account.

Entry	Description
0802 Downward reestimates paid to receipt accounts	Obligations for downward reestimates of the subsidy to be paid to the negative subsidy receipt account for the credit program.
0803 Adjusting payments to liquidating accounts	Obligations for payments to purchase liquidating account loan assets or to reimburse the liquidating account for modification cost increases for pre–1992 direct loans and loan guarantees.
0804 Interest on downward reestimates	Obligations for interest on the downward reestimate to be paid to the negative subsidy receipt account for the credit program.
New financing authority (gross), detail:	
6000 Appropriation	Amount of authority becoming available as a result of a modification adjustment transfer from the general fund in the event that the modification cost estimate under-compensated the financing account.
6710 Authority to borrow	Financing authority (authority to borrow from Treasury) for the part of direct loans not financed by subsidy and fees, and for any default claims that cannot be paid by unobligated balances.
6900 Offsetting collections (cash)	Amount of offsetting collections (cash) credited to the account and refunds that pertain to obligations recorded in prior years.
6910 Change in uncollected customer payments from program account	Change in unpaid, unfilled orders from program account for subsidy cost. Report increases as positive entries (for expected future subsidy cost collections in future fiscal years); report decreases as negative entries (for received subsidy cost collections in prior fiscal years).
6927 Capital transfer to general fund (–)	Used for modification adjustment transfer to the general fund in the event that the modification cost estimate over compensated the financing account. See 185.7(b).
6947 Portion applied to repay debt (–)	Amount of offsetting collections used for repayments of outstanding borrowing.
Change in obligated balance:	
7240 Obligated balance, start of year	Includes unpaid obligations that represent undisbursed direct loan obligations.
7440 Obligated balance, end of year	Includes unpaid obligations that represent undisbursed direct loan obligations.
Offsets:	
8800 Federal sources	Collections of subsidy payments and upward reestimates from program accounts, and adjusting payments from liquidating accounts for pre–1992 direct loans and loan guarantees.
8825 Interest on uninvested funds	Collections of interest on uninvested funds. Tools are available from OMB to calculate interest earned.
8840 Non-Federal sources	Collections of principal repayments and interest payments on direct loans by borrowers, collections on defaulted direct loans or guaranteed loans, fees or premiums paid by non-Federal lenders or borrowers, prepayments of direct loans, and proceeds from the sale of direct loans or collateral.

Note: MAX automatically modifies financing account line stubs from budget authority and outlays to financing authority and financing disbursements, respectively. Financing accounts do not use lines 8690 through 8698. For example, Schedule P line 8896, Portion of cash collections credited to expired accounts, is not valid in financing accounts. All cash collections are used to repay Treasury debt, pay obligations of the financing account, or execute downward reestimates.

Do not use lines 5800–5899. Financing authority from offsetting collections in financing accounts must be recorded as mandatory, regardless of whether the authority for subsidy in the program account is mandatory or discretionary.

(b) *Direct loan data (schedule G)*.

Prepare a Status of direct loans schedule (Schedule G) (PY-BY+4) for all liquidating accounts and all direct loan financing accounts (see exhibits 185D and 185J). Each line entry is described in the table below. MAX will automatically generate the line entries indicated in **boldface**.

DATA REQUIREMENTS FOR SCHEDULE G

Entry	Description
Position with respect to appropriations act limitation on obligations:	Provide lines 1111–1150 for direct loan financing accounts only.
1111 Limitation on direct loans	Amount of limitation enacted or proposed to be enacted in appropriations acts. For discretionary programs, the BY amount should be consistent with line 1159 in schedule U.
1121 Limitation available from carry-forward	Amount of limitation available from a multi-year limitation enacted in a previous year that was not obligated and is available for use. This amount should correspond to the previous year's amount of unobligated limitation carried forward (line 1143). For programs that do not have a fixed loan limitation, this amount should be equal to the direct loan level supportable with the budget authority that is carried forward.
1131 Direct loan obligations exempt from limitation	Amount of obligations for direct loans to the public not subject to a specific limitation in appropriations acts. Use this line for mandatory programs or for discretionary programs without a maximum loan volume specified in appropriations acts.
1142 Unobligated direct loan limitation (–)	Amount of limitation enacted in appropriations acts that is not obligated in the year it is enacted. Include only amounts that expire. Do not include multi-year limitation amounts that can be carried forward in a future fiscal year (see line 1143). Report amounts in PY and CY only unless specifically approved by OMB.
1143 Unobligated limitation carried forward (P.L. xx) (–)	Amount of multi-year limitation enacted in an appropriations act that was not obligated and is carried forward for use in a subsequent year.
1150 Total direct loan levels	The sum of lines 1111 through 1143. This is the direct loan portion of the credit budget. This amount should be consistent with direct loan obligations recorded on line 0001 in the program and financing schedule of the financing account and line 1159 in schedule U of the program account.
Cumulative balance of direct loans outstanding:	Provide lines 1210–1290 for liquidating and direct loan financing accounts. Do not report amounts reflecting defaulted guaranteed loans. Defaulted guaranteed loans are presented in Schedule H 2310-2390.
1210 Outstanding, start of year	Amount of direct loan principal outstanding at the beginning of the year. Amounts for PY are automatically generated from data reported in the previous year's *Budget Appendix*. If the number needs to be revised, use line 1264 "other adjustment" with explanatory comment.
Disbursements:	
1231 Direct loan disbursements	Amounts of disbursements of principal for direct loans and 100

Entry	Description
	percent guarantees financed by the Federal Financing Bank. This does not include amounts shown separately on line 1232.
1232 Purchase of loan assets from the public	Amount of loans purchased or repurchased by the account from non-Federal lenders.
1233 Purchase of loan assets from a liquidating account	Amount of direct loan assets transferred from liquidating account to a financing account as a result of a loan modification.
Repayments:	These entries must agree with amounts included for these transactions on line 8840 (offsetting collections from non-Federal sources) of the program and financing schedule for the account. The proceeds from discounted prepayment programs that were part of a loan asset sales program should be recorded together with the proceeds from loan asset sales to the public (line 1253). The discount (i.e., the difference between the face value of the loan and the proceeds received from discounted prepayments) should be recorded together with the discount on loan asset sales to the public (line 1262).
1251 Repayments and prepayments (–)	Amount of principal repayments or prepayments. In the liquidating account, this entry will include repayments on loans disbursed by the FFB.
1252 Proceeds from loan asset sales to the public or discounted prepayments without recourse (–)	Amount of gross proceeds received from the non-recourse sale of loans to non-Federal buyers or the discounted loan prepayments that were part of a loan asset sales program.
1253 Proceeds from loan asset sales to the public with recourse (–)	Amount of gross proceeds received from the sale of loans to non-Federal buyers when loans are sold with recourse to the Federal Government. The full principal of the loans is scored as a new guaranteed loan commitment (line 2132).
Adjustments:	
1261 Capitalized interest	Amount of interest due at the end of the year that is capitalized as part of the existing loan principal.
1262 Discount on loan asset sales to the public or discounted prepayments (–)	Difference between the face value of the loan and the proceeds received by the account from the sales of loans to non-Federal buyers or discounted loan prepayments that were part of a loan asset sales program.
1263 Write-offs for default: Direct loans (–)	Amount of direct loan principal reduced by write-offs for defaults. This line should only be used to indicate write-offs of loans that were initiated as direct loans. (Refer to the processes for write-offs in OMB Circular No. A–129.)
1264 Other adjustments, net (+ or –)	Proceeds from the sale of collateral acquired from the foreclosure of direct loans; amount of principal repayments waived as provided by statute, in the event of certain specified contingencies; outstanding balances of loans transferred to or received from other accounts amount of principal reduced or increased for other reasons. When this line is used, the adjustment must be explained in a comment.
1290 Outstanding, end of year	Amount of direct loan principal outstanding at the end of the year. The sum of lines 1210 through 1264.

(c) *Guaranteed loan data (schedule H).*

Prepare a Status of Guaranteed Loans (schedule H) (PY-BY+4) for all liquidating and guaranteed loan financing accounts (see exhibits 185G and 185K). Report the full principal amounts of loans guaranteed, whether guaranteed in full or in part. Report principal only, even if the guarantee covers both the principal and interest. Do not count agency guarantees of loans disbursed by the FFB as guaranteed loans; treat such loans as direct loans of your agency financed by the FFB.

Each line entry is described in the table below. MAX will automatically generate the line entries indicated in **boldface**.

DATA REQUIREMENTS FOR SCHEDULE H

Entry	Description
Position with respect to appropriations act limitation on commitments:	Provide lines 2111–2199 for guaranteed loan financing accounts only.
2111 Limitation on guaranteed loans made by private lenders	Amount of limitation enacted or proposed to be enacted in appropriations acts on full principal of commitments to guarantee loans by private lenders. For discretionary programs, the BY amount is equal to line 2159 in schedule U.
2121 Limitation available from carry-forward	Amount of limitation on full principal of commitments to guarantee loans by private lenders that is available from a multi-year limitation enacted in a previous year that was not obligated and is available for use. This amount should correspond to the previous year's amount of unobligated limitation carried forward (line 2143). For programs that do not have a fixed loan limitation, this amount should be equal to the guaranteed loan level supportable with the budget authority that is carried forward.
2131 Guaranteed loan commitments exempt from limitation	Amount of full principal of commitments to guarantee loans by private lenders that is not subject to limitation. Use this line for mandatory programs and discretionary programs that do not have a loan limitation.
2132 Guaranteed loan commitments for loan asset sales to the public with recourse	Amount of full principal of guaranteed loan commitments made as a result of selling direct loans to non-Federal buyers with recourse to the Federal Government.
2142 Uncommitted loan guarantee limitation (–)	Amount of limitation enacted in appropriations acts on full principal of commitments to guarantee loans by private lenders that is not committed in the year it is enacted. Includes only amounts that expire. Do not include multi-year limitation amounts that can be carried forward in a future fiscal year (see line 2143). Report amounts for PY and CY only.
2143 Uncommitted limitation carried forward (P.L. xx) (–)	Amount of multi-year limitation enacted in an appropriations act that was not committed and is carried forward for use in a subsequent year.
2150 Total guaranteed loan levels	The sum of lines 2111 through 2143. This is the guaranteed loan portion of the credit budget. This amount should be consistent with line 2159 of schedule U in the program account.
Memorandum: 2199 Guaranteed amount of guaranteed loan commitments	Amount of maximum potential Federal liability for the guaranteed loan principal associated with line 2150. To the extent the guarantee covers both principal and interest, this amount must exclude interest. This entry is required even though the amount may be the same as in line 2150.

Entry	Description
Cumulative balance of guaranteed loans outstanding:	Provide lines 2210–2390 for liquidating and guaranteed loan financing accounts.
2210 Outstanding, start of year	Full face value of guaranteed loan principal outstanding at the beginning of the year. This includes the unguaranteed portion of the loan principal outstanding. Amounts for PY are automatically generated from data reported in the previous year's *Budget Appendix*. If the PY amount needs to be revised, use line 2264 and include an explanatory comment.
Disbursements:	
2231 Disbursements of new guaranteed loans	Amount of guaranteed loan principal disbursed. This includes the unguaranteed portion of the loan principal disbursed.
2232 Guarantees of loans sold to the public with recourse	Face value amount of guaranteed loan principal of loans sold to non-Federal buyers with recourse to the Federal government. This includes the unguaranteed portion of the loan principal disbursed.
Repayments:	
2251 Repayments and prepayments (–)	Amount of principal repayments and prepayments.
Adjustments:	
2261 Terminations for default that result in loans receivable (–)	Amount of loan principal reduced by terminations for default that subsequently become a loans receivable in which the formerly guaranteed borrower owes the agency for the amount of claims paid as a result of the borrower's default. (See lines 2310–2390.)
2262 Terminations for default that result in acquisition of property (–)	Amount of loan principal reduced by terminations for default that lead to the acquisition of physical property by the agency.
2263 Terminations for default that result in claim payments (–)	Amount of loan principal reduced by terminations for default that lead to claim payments by the agency that result in neither a loan receivable nor the acquisition of property.
2264 Other adjustments, net (+ or –)	Amount of loan principal reduced or increased for reasons other than those covered by the lines listed above; outstanding principal balances of guaranteed loans transferred to or received from other accounts. When this line is used, the adjustment must be explained in a comment.
2290 Outstanding, end of year	Amount of guaranteed loan principal outstanding at the end of the year. The sum of lines 2210 through 2264.
Memorandum: 2299 Guaranteed amount of guaranteed loans outstanding, end of year	Amount of maximum potential Federal liability for the guaranteed loan principal associated with line 2290. To the extent the guarantee covers both principal and interest, this amount must exclude interest. This entry is required even though the amount may be the same as in line 2290.

Entry	Description
Addendum: Cumulative balance of defaulted guaranteed loans that results in loans receivable:	
2310 Outstanding, start of year	Amount of defaulted guaranteed loans that resulted in the acquisition of a loan receivable outstanding at the beginning of the year.

Entry	Description
2331 Disbursements for guaranteed loan claims	Amount of disbursements for acquisition of defaulted loans that were previously guaranteed and result in loans receivable, where the borrower owes the account for the disbursement. These disbursements include past due interest amounts that were paid under the terms of the loan guarantee, if such amounts were capitalized as part of the loan principal.
2351 Repayments of loans receivable (–)	Proceeds received by the account from the settlement of claims on defaulted guaranteed loans that resulted in loans receivable to be applied to the reduction of the loans receivable outstanding. Exclude any premium realized.
2361 Write-offs of loans receivable (–)	Amount of loans receivable written-off for default that were initiated as guaranteed loans but were subsequently acquired as loans receivable. (Refer to the definitions for write-offs provided in OMB Circular No. A–129.)
2364 Other adjustments, net (+ or –)	Amount of loans receivable reduced or increased for reasons other than those covered by the lines listed above. When this line is used, the adjustment must be explained in a comment.
2390 Outstanding, end of year	Amount of defaulted guaranteed loans that resulted in loans receivable outstanding at the end of the year. The sum of lines 2310 through 2364.

(d) *Agency debt held by the FFB and net financing disbursements (schedules Y, G, and H).*

Baseline data on ***debt owed to the FFB*** must be reported by all financing and liquidating accounts and by programs that are not covered by the FCRA, such as the Tennessee Valley Authority and Federal Deposit Insurance Corporation (which assumed the responsibilities of the Resolution Trust Corporation). All FFB transactions are treated as means of financing to the agencies. In order to track old and new transactions, the lines should be coded with a two-digit suffix as follows, to identify the transactions:

- .01 FFB loan originations.
- .02 Sale of loan assets to the FFB.
- .03 Sale of debt securities to the FFB.

Report this data on the 3300 data line series in schedule Y (PY through BY+4). No policy estimates are required.

Baseline and policy data on ***net financing disbursements*** must be reported for all financing accounts. "Net financing disbursements" are analogous to "net outlays" reported on line 9000 in schedule P of the program account and consist of total financing disbursements (gross) less total offsetting collections in the financing account. Net financing disbursements are calculated by subtracting total cash inflows to the financing account from total cash outflows from the financing account. Cash inflows include subsidy and reestimate collections from the program account, borrower principal and interest payments, recoveries, fees, interest received from Treasury, and other inflows. Cash outflows include loan disbursements, default claim payments, negative subsidy and downward reestimate payments to the receipt account, interest paid to Treasury, and other outflows. In PY through BY, these amounts should equal the amount reported on line 9000 in schedule P of the financing account. These data are needed to estimate Federal borrowing and interest on the public debt.

Report this data in schedule Y for both baseline and policy estimates.

DATA REQUIREMENTS FOR SCHEDULE Y

Entry	Description
Agency debt held by the FFB	Provide lines 3310–3390 for liquidating and direct and guaranteed loan financing accounts.
3310 Outstanding agency debt, start of year	Amount of agency debt issues held by FFB at the beginning of the year.
3330 New agency borrowing	Amount of new borrowing from FFB.
3350 Repayments and prepayments (–)	Amount of repayments made to FFB.
3390 Outstanding agency debt, end of year	Amount of agency debt issued held by FFB at the end of the year. The sum of lines 3310 through 3350.
Net financing disbursements:	Provide lines 6200 and 6300 for direct and guaranteed loan financing accounts only. Report PY-BY+9.
6200 Net financing disbursement—policy	Net financing disbursements based on presidential policy. Policy net financing disbursements should equal line 9000 in schedule P of the financing account. See section 185.11(d).
6300 Net financing disbursements—baseline	Net financing disbursements based on current law. Enter data for CY-BY+9. Should equal line 6200 above unless there is a policy proposal that would affect the numbers in Y.

Note: Lines 3310–3390 do not print in the Appendix but are used by OMB for reporting and analytical purposes.

185.12 What do I report for liquidating accounts?

Reporting requirements for liquidating accounts are discussed in sections 185.9, 185.11(b), 185.11(c), and 185.11(d). Illustrations of typical liquidating account status of direct and guaranteed loans schedules can be found at exhibits 185J and 185K. An illustration of a typical liquidating account program and financing schedule can be found at exhibit 185I.

185.13 What do I report for receipt accounts?

Negative subsidy and downward reestimate receipt accounts record receipts of amounts paid from the financing account when there is a negative subsidy or downward reestimate. Usually, they are general fund receipt accounts, but with the permission of the OMB representative for the account, they can be special fund receipt accounts. If the program is discretionary, report negative subsidies as "discretionary." If the program is mandatory, report negative subsidies as "mandatory." Report downward reestimates for all credit programs as "mandatory, authorizing committee" in schedules R and K (see section 81.3).

185.14 Must credit accounts be apportioned?

Yes. The Antideficiency Act requires that all appropriation and fund accounts, including credit program accounts, financing accounts, and liquidating accounts, be apportioned unless exempted by OMB or a specific statute. OMB may grant exemptions from apportionment in the form of a letter to the head of the department or establishment.

185.15 When do I submit an apportionment request (SF 132)?

If budgetary resources...	For example ...	Then ...
Result from current action by Congress	The annual appropriation in the program account for the: • direct loan subsidy cost, • loan guarantee subsidy cost, • administrative expenses, or • modifications.	Submit the initial apportionment request by August 21 or within 10 calendar days after the approval of the act providing the new budgetary resource, whichever is later. Submit reapportionment requests whenever circumstances change. For example, if the subsidy cost appropriation was apportioned solely to make new loans, then you must submit a reapportionment request for both the program and financing accounts before you make a modification that will increase the cost.
Do not result from current action by Congress	The unobligated balances in the financing accounts. Permanent indefinite appropriation in the program account to cover an upward reestimate.	Submit the initial apportionment request by August 21 before the beginning of the fiscal year. Submit the request for anticipated reestimates with the initial apportionment. When the exact amount is calculated, submit a reapportionment to cover any increase over your initial approved amount.
	Permanent indefinite appropriation in the liquidating account.	Submit the initial apportionment request by August 21 before the beginning of the fiscal year. Submit reapportionments as needed.

185.16 How do I fill out the SF 132?

Sections 120 and 121 of this circular provide general apportionment guidance, including terminology, line descriptions, timing, and apportionment categories. As with other programs, you will need to locate and review the enacted appropriations language for your credit program. In some cases, you may also need to locate and review other authority in authorizing or substantive acts. An example of standard appropriations language for credit programs is provided in section 95.7, and illustrated in Exhibit 185M. Standard appropriations language for credit programs consists of the following parts:

- Appropriation for the subsidy cost of the direct loan or guarantee program;
- Limitation on the loan program; and
- Appropriation for administrative expenses.

You need the appropriations language to verify that:

- Subsidy cost amounts and administrative expenses are shown correctly on your program account SF 132 (Exhibit 185N);

- Amounts apportioned to reimburse your salaries and expenses account, if any, are correct; and

- Program level portion for the guaranteed loan financing account SF 132 (Exhibit 185P) agrees with the limitation set in the appropriations language. (For mandatory programs, this amount will equal the amount of loan guarantees anticipated to be committed.)

Exhibit 185Q provides side-by-side, line-by-line instructions for completing the SF 132 for the program account, direct loan financing account, and guaranteed loan financing account. Exhibits 185M through 185BB are a simplified presentation highlighting the budget execution dynamics for interrelated credit accounts. The scenario begins with the program account receiving an appropriation for both direct loans and loan guarantees and concludes with preparing the last quarterly budget execution report for each account. Exhibits for modifications and reestimates are also provided. For this example, assume that this is a new credit program; 25 percent of the amounts appropriated for subsidy cost are obligated each quarter but only 80 percent is disbursed each quarter (with the remainder in the next quarter); 25 percent of the amount appropriated for administrative expenses is obligated and outlayed each quarter; no borrower fees are charged; and simplified interest and repayments calculations are used.

185.17 Do amounts for an upward reestimate (and the interest on the reestimate) need to be apportioned?

Yes. An upward reestimate indicates that insufficient funds were paid to the financing account. The reestimate amount (plus interest on the reestimates) must be obligated and outlayed from the program account to the financing account to make sure it has sufficient assets to cover its liabilities. Before recording this obligation, ensure you have adequate resources apportioned. Section 504(f) of the FCRA provides permanent indefinite budget authority for this purpose. If you were unable to include the reestimate in your program account's initial apportionment or you requested too little, submit a reapportionment request for the additional permanent indefinite appropriation the program account needs to pay to the financing account. See Exhibit 185S for a sample reapportionment for an upward reestimate of a program account.

You must make a reestimate immediately after the end of each fiscal year as long as any loans are outstanding, unless a different plan is approved by OMB. After you complete your reestimate, prepare and submit an SF 132 as needed.

185.18 Do amounts for a downward reestimate (and the interest on the reestimate) need to be apportioned?

Yes. A downward reestimate indicates that the subsidy cost payment to the financing account by the program account was too large so that its assets exceed its liabilities. The reestimate amount (plus interest on the reestimate) must be obligated and disbursed from the financing account. Before recording the obligation, ensure you have adequate resources apportioned. For direct loans only, if the downward reestimate is due to increased actual collections, use these amounts to cover the obligation. To the extent the reestimate is due to projected increased collections, request borrowing authority to cover the obligation. For loan guarantees only, to the extent the reestimate is due to lower default payments than initially estimated, either actual or projected, use your uninvested balance with Treasury to cover the obligation.

For both discretionary and mandatory programs, disburse the excess (plus interest on reestimates) to a downward reestimate receipt account (Exhibit 185T).

185.19 Do amounts for interest payments to Treasury need to be apportioned?

Yes. For financing accounts, additional amounts (i.e., amounts exceeding your estimate on the most recent approved apportionment) are automatically apportioned. For liquidating accounts, you will need to submit a reapportionment for any additional amounts.

185.20 Do amounts for debt repayments to Treasury need to be apportioned?

No. Capital transfers and redemption of debt are not obligations and therefore do not need to be apportioned on line 8. However, you do need to plan for repayments and show your estimated debt repayments as a negative amount on line 6C or 6F (if anticipated) when you submit your SF 132.

185.21 How do I handle modifications?

Before you modify a direct loan or loan guarantee, you should take the following steps:

- Step 1. Estimate the cost of the modification (see section 185.7);
- Step 2. Request an apportionment, if necessary;
- Step 3. Receive an approved apportionment from OMB, if necessary;
- Step 4. Modify the direct loan or loan guarantee; and
- Step 5. Record the obligation (see sections 185.30 and 185.31).

To determine whether you need a reapportionment:

If ...	Then ...
The current apportionment allows the apportioned resources to be used for modifications and the cost of the modification is equal to or lower than the amount apportioned less any amounts already obligated.	No reapportionment is required.
The current apportionment does not allow the apportioned resources to be used for modifications.	Yes. See Exhibit 185R for a sample reapportionment for a modification.
If the cost of the modification is higher than the amount apportioned less amounts already obligated.	Yes. See Exhibit 185R for a sample reapportionment for a modification.

185.22 Am I required to submit budget execution reports (SF 133)?

Yes. Submit SF 133s on a quarterly basis for all accounts, including those that OMB has exempted from apportionment. The OMB program examiner with primary budget responsibility for the credit account may require budget execution reports more frequently, such as monthly. For credit financing accounts, submit the final SF 133 on a cohort basis unless OMB has approved reporting on a combined basis.

185.23 How do I fill out the SF 133?

Section 130 and Appendix A of this circular provide general budget execution reporting guidance, including terminology, line descriptions, and timing. You prepare the SF 133 to show the extent that resources controlled by the SF 132 and other resources have been consumed. The relationship between program and financing accounts is dynamic, affecting different entries of the SF 132 and SF 133 at different stages of the process as transactions occur throughout the year. These complex relationships are illustrated in Exhibit 185X which provides side-by-side, line-by-line instructions for completing the first quarter SF 133 for the hypothetical credit program. Exhibits 185U through 185W illustrate the individual SF 133s for the program, direct loan financing, and guaranteed loan financing accounts, respectively, for the first quarter. Exhibit 185BB continues the presentation of Exhibit 185X by describing the entries for the SF 133 for the fourth quarter. Exhibits 185Y through 185AA illustrate the individual SF 133s for the program, direct loan financing, and guaranteed loan financing accounts, respectively, for the fourth quarter.

Because program accounts typically receive one-year budget authority, the SF 133 will have an unexpired account column as well as five expired account columns. Financing and liquidating accounts, however, have no-year authority so their SF 133s will have only an unexpired column (see section 20.4(c) for a discussion of period of availability).

185.24 How do I calculate the initial subsidy cost estimate for execution?

You are required to use the OMB Credit Subsidy Calculator 2 to calculate subsidy cost estimates. The Credit Subsidy Calculator 2 and accompanying documentation are available from the OMB representative with primary responsibility for the credit account.

In most cases, you will use the same subsidy rate for execution as you calculated earlier for the Presidential policy rate. However, if the loan contract terms have changed for any reason, then you must update the subsidy rate to reflect the actual terms at the time the loan contract is signed. For programs that calculate separate subsidy rates for each loan or loan guarantee, if the borrower's interest rate is benchmarked to a Treasury interest rate, then the borrower interest rate assumption should be consistent with the economic assumptions for that cohort. The default expectation associated with the risk rating is a forecast assumption and should match the President's Budget. Please see your OMB contact for more information.

Do not change the forecast technical assumptions or the methodological assumptions.

For mandatory programs only, also update the economic assumptions to reflect those in the Mid-Session Review if it has been released by the time you are making the calculations.

185.25 What transactions do I report when the Government incurs direct loan obligations or makes loan guarantee commitments?

For the program account (Exhibit 185U):

- Include the estimated subsidy cost obligations on line 8A, Obligations incurred, Direct. If resources for the subsidy cost were apportioned in Category A, include the amount on line 8A1. If the resources were apportioned in Category B, include the amount on line 8A2 in the appropriate category; and

- Include the amount on lines 13, Obligations incurred and 18A, Obligated Balance, net, end of period, Unpaid obligations, since the amount is not yet outlayed to the financing account.

For the direct loan financing account (Exhibit 185V):

- Include the subsidy cost payment obligated in the program account but not yet paid on line 3D2b, Spending authority from offsetting collections, Change in unfilled customer orders, Without advance from Federal sources; and

- Include the amount on lines 17, Change in uncollected customer payments from Federal Sources and 18B, Obligated balance, net, end of period, Uncollected customer payments from Federal sources, since the amounts have not been received from the program account.

- To show the borrowing component:

- Before signing the contract, verify that OMB has apportioned enough borrowing authority on line 3B to cover the part of the direct loan obligation not covered by the subsidy cost payment and upfront fees;

- After you sign the contract, include the obligation on line 8, Obligations incurred. If the direct loan was apportioned in Category A, include the amount on line 8A1. If the direct loan was apportioned in Category B, include it on line 8A2 in the appropriate category; and

- Include the amount on lines 13 Obligations incurred and 18A, Obligated balance, net, end of period, Unpaid obligations.

For the loan guarantee financing account (Exhibit 185W):

- Include the subsidy payment obligated in the program account but not yet paid on line 3D2b, Spending authority from offsetting collections, Change in unfilled customer orders, Without advance from Federal sources; and

- Include the amount on line 10C, Unobligated balance not available, Other, when the amounts are not apportioned and held as a reserve for future defaults. When the amounts are apportioned, include the amounts on line 9A, Unobligated balance, Apportioned, Balance currently available.

The transactions are similar for a negative subsidy program except that the financing account will make a transaction with the negative subsidy receipt account rather than the program account (see 185.3(u)).

185.26 What transactions do I report when the Government disburses a direct loan or a private lender disburses a guaranteed loan?

For the program account (Exhibit 185U), just before a loan is disbursed from the financing account:

- Pay the financing account and include the subsidy cost payment on lines 14, Gross outlays and 19A Net Outlays, Gross outlays; and

- Reduce line 18A, Obligated balance, net, end of period, Unpaid obligations by the same amount.

For the financing account:

- When the subsidy cost payment is received from the program account, reduce lines 3D2b, Without advance from Federal sources, and 17, Change in uncollected payments from Federal Sources. Also, increase lines 3D1a, Collected, and with a negative amount, 19B, Net outlays, Offsetting collections;

- For direct loan programs (Exhibit 185V), once the loan is actually disbursed, include the loan disbursement on lines 14, Gross outlays and 19A, Net outlays, Gross outlays and reduce the amount of loans payable from line 18A, Obligated balance, net, end of period, Unpaid obligations;

- For loan guarantee programs (Exhibit 185W), do not report any loan disbursement because the private lender disbursed the loan, not the Federal Government. The subsidy cost payment collected by the financing account is held as an uninvested balance that earns interest from Treasury until it is used, for example, to pay default claims; interest supplements; the capitalized costs of foreclosing, managing, and selling collateral assets acquired as a result of defaults; and the costs routinely deducted from the proceeds of sales. Until these resources are needed for such obligations and they are apportioned, include them on line 10C, Unobligated balance not available, Other.

185.27 How do I handle non-subsidy cost collections?

Report all collections of direct loan principal, interest on direct loans, fees, proceeds from the liquidation of collateral assets, as well as any other collections, to the appropriate cohort and risk category in the financing or liquidating account, as appropriate. Place the amount you anticipate collecting on line 3D3, Spending authority from offsetting collections, Anticipated for rest of year, without advance. As collections are actually received throughout the year, report them on line 3D1a, Earned, Collected, with a corresponding reduction on line 3D3 and a negative amount on line 19B, Net outlays, Offsetting Collections. Because these amounts in financing accounts earn interest, include them in the interest income calculations (see section 185.34).

In financing accounts, non-subsidy cost collections may be used only for the cohort that generated the collection. Except for fees collected, these amounts are not available to make new loans. These amounts are available to:

- Fund a portion of the direct loan, if the collection is a fee paid by the borrower;

- Pay the capitalized costs of foreclosing, managing, and selling collateral assets acquired as the result of defaults on direct or guaranteed loans and costs that are routinely deducted from the proceeds of sales (see section 185.8 for items that qualify);

- Make annual payments of interest to Treasury; and

- Make repayments of principal on amounts borrowed from Treasury using any remaining amounts.

Non-subsidy cost collections in guaranteed loan financing accounts are available to:

- Pay the capitalized costs of foreclosing, managing, and selling collateral assets acquired as the result of defaults on direct or guaranteed loans and costs that are routinely deducted from the proceeds of sales;

- Maintain an unobligated balance to pay such capitalized costs or routinely deducted costs, if any;

- Pay default claims and interest supplements on guaranteed loans;

- Make annual payments of interest to Treasury;

- Make repayments of principal on amounts borrowed from Treasury; and

- Add to the unobligated balance.

To the extent that there are insufficient collections to make timely payment of interest or principal on Treasury borrowings, the financing account must borrow to make such payments. If the cohort's expected future cash flows will not be sufficient to fully repay this additional borrowing plus the cohort's other expected obligations, you must calculate a reestimate and use the subsidy cost collections from this reestimate to repay the additional borrowing, with interest.

In liquidating accounts, these amounts may be used for similar expenses (see section 185.3(k)) without regard to cohort.

185.28 What transactions do I report when a guaranteed loan defaults?

Loan guarantee default claims are recorded in financing and liquidating accounts. When you receive a loan guarantee default claim:

- Verify that the amount of the default claim is apportioned;
- Include the obligation to pay the claim on line 8, Obligations incurred. If defaults were apportioned in Category A, place the amount on line 8A1. If defaults were apportioned in Category B, place it on line 8A2 in the appropriate category; and
- Include the amount as payable to the private lender on lines 13, Obligations incurred and 18A, Obligated balance, net, end of period Unpaid obligations.

When you disburse a payment for a loan guarantee default claim:

- Include the payment on lines 14, Gross Outlays, and 19A Net outlays, Gross outlays; and
- Reduce the amounts payable on line 18A by the amount reported on lines 14 and 19A.

185.29 What should I do with unobligated balances in the liquidating account?

You must transfer any unobligated balance remaining at the end of the fiscal year to the general fund unless OMB has approved an extension. Include this transfer on line 6C, Permanently not available, Capital transfers, and redemption of debt. Amounts credited to liquidating accounts in any year are available only for obligations that are incurred in that year and repaying debt owed to the Treasury (including the FFB).

185.30 How do I report modifications of post–1991 direct loans and loan guarantees?

A modification results in a subsidy cost increase or decrease which must be recorded on the SF 133 as follows:

If Modification...	Then...
Increases cost	In the program account, include: • The increase on lines 8 and 13, *Obligations incurred.* If the resources for subsidy cost were apportioned in category A, include the amount on line 8A1. If the resources were apportioned in category B, include the amount on line 8A2 in the appropriate category; and:

If Modification...	Then...
	• The payment to the financing account on lines 14, *Gross outlays* and 19A, *Net outlays, Gross outlays*. Note: You cannot incur subsidy cost obligations for modifications unless budgetary resources are available in the program account and have been apportioned for modifications. In the financing account, include: • The collection from the program account on lines 3D1, *Spending authority from offsetting collections, Earned, Collected* 19B, *Net outlays, Offsetting collections*. Credit this amount to the cohort and risk category of the modified loan. Decrease the estimated collection on line 3D3, if appropriate; • For a direct loan modification, use these amounts to pay interest and other expenses and to repay debt owed to Treasury; and • For a loan guarantee modification, use these amounts as needed to pay default claims and other expenses. Remaining balances will be held as uninvested balances with Treasury and will earn interest at the same rate as is paid on other funds held by the financing account for the same cohort.
Decreases cost	In the financing account include: • The estimated decrease on lines 8 and 13, *Obligations incurred*. If the resources for the subsidy cost were apportioned in category A, include the amount on line 8A1. If the resources were apportioned in category B, include the amount on line 8A2 in the appropriate category); and • The payment of the amount transferred to the appropriate account on lines 14, *Gross outlays* and 19A, *Net outlays, Gross outlays*. Include the collection in a negative subsidy receipt account.

For additional transactions, see section 185.7(b).

185.31 How do I report modifications of pre–1992 direct loans and loan guarantees?

You estimate and account for the increase or decrease in cost in the same way as modifications of post-1991 loans. In addition to the steps enumerated in section 185.30, normally you must transfer the direct loan assets or loan guarantee liabilities to be modified from the liquidating account to the financing account. As part of the transfer, you must make a payment from the financing account to the liquidating account, in the case of direct loans, or from the liquidating account to the financing account, in the case of loan guarantees. In exceptional cases, subject to the approval of the OMB representative with responsibility for the credit program, the modified loans may be retained in the liquidating account. In each case, fill out the budget execution report as follows:

If Asset or Liability will be	Then...
Transferred to the financing account	For direct loans, report an obligation in the financing account that is equal to the payment amount on lines 13 and 8B, *Obligations incurred, Category B, Modifications* and a disbursement in the same amount on line 14, *Gross outlays* and 19A, *Net outlays, Gross outlays.* Include the

If Asset or Liability will be	Then...
	receipt of the payment in the liquidating account on line 3D1a, *Spending authority from offsetting collections, Earned, Collected* and 19B, *Net outlays, Offsetting collections.* For loan guarantees, include the obligation and outlay in the liquidating account and the offsetting collection in the financing account.
Retained by the liquidating account	Where the modification increases the cost: • For the program account, report an obligation for the appropriate subsidy cost amount on lines 13 and 8B, *Obligations incurred, Category B, Modifications* and an outlay in the same amount on lines 14, *Gross outlays* and 19A*, Net outlays, Gross outlays*. • For the financing account, include the corresponding transaction on lines 3D1a, *Spending authority from offsetting collections, Earned, Collected,* 19B, *Offsetting collections;* an obligation on lines 8 and 13, and a disbursement on lines 14 and 19A. • For the liquidating account, include the payment on lines 3D1a, *Spending authority from offsetting collections, Earned, Collected* and 19B, *Offsetting collections*. This payment compensates this account for the reduction in its assets (direct loan) or its increased liability (loan guarantee). Where the modification decreases the cost: • For the liquidating account, include permanent indefinite authority to make the payment to the financing account on line 3A1, *Budget authority, Appropriation.* • For the financing account, include this receipt on lines 3D1a, *Spending authority from offsetting collections, Earned, Collected* and 19B, *Offsetting collections,* and include the subsequent payment to the negative subsidy receipt account on lines 14, *Gross outlays* and 19A *Gross outlays, Net outlays*.

See section 185.7 for additional discussion about modification transactions.

185.32 Why do financing accounts borrow from Treasury?

The FCRA provides indefinite borrowing authority to financing accounts to fund the unsubsidized portion of direct loans and to satisfy obligations in the event the financing account's resources are insufficient. For direct loan financing accounts, each loan disbursement is financed by the subsidy cost payment from the program account, fees where applicable, and borrowing from Treasury. The financing account makes a single borrowing from Treasury at the beginning of each fiscal year for each cohort based on the estimated net loan disbursements for the cohort in that fiscal year.

For loan guarantees, the financing account may borrow from Treasury when balances in the financing account are insufficient to pay claims. These borrowings generally occur on an as-needed basis.

If a direct loan or loan guarantee program or risk category generates negative subsidy cost, the financing account must borrow from Treasury to cover the payment to the negative subsidy receipt account.

All borrowing is dated October 1 regardless of whether it is the original amount borrowed at the beginning of the year or a supplementary amount borrowed later in the year. As a result of treating the entire amount as a single borrowing, interest expense is not affected by whether all borrowed funds were disbursed or whether the original borrowing had to be supplemented later in the year.

You may only carry forward obligated indefinite borrowing authority into the next fiscal year. At the end of each fiscal year, you must return unobligated indefinite borrowing authority or make an adjustment during the FACTS II year-end preliminary or revision windows.

185.33 Why do financing accounts earn interest?

The basic purpose of a guaranteed loan financing account is to accumulate funds to finance future default costs. Subsidy cost payments to the account, fees collected, and other collections are retained in the financing account as an uninvested balance and earn interest at the same rate as the discount rate used to calculate the subsidy cost. The subsidy cost payments, fees, other collections, and interest earnings will be sufficient to finance the net default costs if the initial estimate of subsidy cost is correct.

In direct loan financing accounts, undisbursed Treasury borrowings earn interest at the same rate as the financing account pays on its debt owed to Treasury so that borrowing from Treasury for subsequent disbursements during the year does not have any effect on the results of operations or net financial position of the financing account.

185.34 Who calculates interest expense and income?

You do, using the guidance and Credit Subsidy Calculator 2 provided by OMB. Staff at the Department of Treasury's Bureau of Public Debt or Financial Management Service may also perform the calculations to ensure agreement between Treasury and your agency.

185.35 When do I calculate interest expense and income?

You must make the calculations to provide an estimate for the initial SF 132. You also will make these calculations again at the end of the year based on actual data to determine the payment amounts.

185.36 What interest rate do I use to calculate interest expense and income?

The FCRA requires that the rates for discounting cashflows, financing account borrowing, and financing account interest earnings be identical and based on the Treasury rates in effect during the period of loan disbursement. The correct discount rates are provided for you in the OMB Credit Subsidy Calculator 2, available from the OMB representative with the primary responsibility for the account. For cohorts before 2001, the Credit Subsidy Calculator 2 will generate a disbursement-weighted average discount rate. For cohorts 2001 and after, the Credit Subsidy Calculator 2 will generate a single effective rate.

Program Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-1154-0-1-376		PY actual	CY est.	BY est.
	Obligations by program activity:			
00.01	Direct loan subsidy	2	2	2
00.02	Guaranteed loan subsidy	136	179	....
00.05	Reestimate of direct loan subsidy	....	1	....
00.07	Reestimate of loan guarantee subsidy	3	31	....
00.08	Interest on reestimates of loan guarantee subsidy	2	3	....
00.09	Administrative expenses	129	129	129
10.00	Total new obligations	272	345	131
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	76	111	94
22.00	New budget authority (gross)	264	328	131
22.10	Resources available from recoveries of prior year obligations	41	....	....
22.22	Unobligated balance transferred from other accounts	2	....	....
23.90	Total budgetary resources available for obligation	383	439	225
23.95	Total new obligations	-272	-345	-131
24.40	Unobligated balance carried forward, end of year	111	94	94
	New budget authority (gross), detail:			
	Discretionary			
40.00	Appropriation	267	294	131
40.35	Appropriation rescinded	-13	-1	....
42.00	Transferred from other accounts	5	....	....
43.00	Appropriation (total discretionary)	259	293	131
	Mandatory			
60.00	Appropriation	5	35	....
70.00	Total new budget authority (gross)	264	328	131
	Change in obligated balances:			
72.40	Obligated balance, start of year	109	33	33
73.10	Total new obligations	272	345	131
73.20	Total outlays (gross)	-283	-345	-192
73.40	Adjustments in expired accounts (net)	-24	....	....
73.45	Recoveries of prior year obligations	-41	....	....
74.40	Obligated balance, end of year	33	33	-28
	Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	190	185	83
86.93	Outlays from discretionary balances	88	125	109
86.97	Outlays from new mandatory authority	5	35	....
87.00	Total outlays (gross)	283	345	192
	Net budget authority and outlays:			
89.00	Budget authority	264	328	131
90.00	Outlays	283	345	192

You must use special line coding for lines 0001 - 0009. See section 185.10 (a) for a complete list.

Shaded entries are automatically calculated by MAX.

The FCRA provides permanent authority to finance reestimates (line 6000). Show reestimates in PY and CY only.

Program Account
Summary of Loan Levels and Subsidy Data (Schedule U)

Summary of Loan Levels and Subsidy Data (in millions of dollars)

Identification code 73-1154-0-1-376		PY actual	CY est.	BY est.
	Direct loan levels supportable by subsidy budget authority:			
115001	Risk category A	27	34	21
115999	Total direct loan levels	27	34	21
	Direct loan subsidy (in percent):			
132001	Risk category A	8.54	8.95	6.78
132999	Weighted average subsidy rate	8.54	8.95	6.78
	Direct loan subsidy budget authority:			
133001	Risk category A	2	2	2
133999	Total subsidy budget authority	2	2	2
	Direct loan subsidy outlays:			
134001	Risk category A net subsidy outlays	2	2	1
	Direct loan negative subsidy outlays:			
134101	Risk category A negative subsidy outlays	-1	-2	-----
	Direct loan positive subsidy outlays:			
134201	Risk category A positive subsidy outlays	3	4	1
134999	Total subsidy outlays	2	2	1
	Direct loan upward reestimate:			
135001	Risk category A	-----	1	-----
135999	Total upward reestimate	-----	1	-----
	Guaranteed loan levels supportable by subsidy budget authority:			
215001	Risk category B	9,697	9,826	10,722
215002	Risk category C	2,194	4,252	4,353
215003	Risk category D	1,261	2,109	2,500
215999	Total loan guarantee levels	13,152	16,187	17,575
	Guaranteed loan subsidy (in percent):			
232001	Risk category B	1.16	1.17	-1.07
232002	Risk category C	-----	-----	-----
232003	Risk category D	1.80	2.26	-1.87
232999	Weighted average subsidy rate	1.03	1	-0.92
	Guaranteed loan subsidy budget authority:			
233001	Risk category B	113	115	-115
233002	Risk category C	-----	-----	-----
233003	Risk category D	23	48	-47
233999	Total subsidy budget authority	136	163	-162
	Guaranteed loan subsidy outlays:			
234001	Risk category B	116	110	-100
234002	Risk category C	-----	-----	-----
234003	Risk category D	31	34	-30
	Guaranteed loan negative subsidy outlays:			
234101	Risk category B negative subsidy outlays	-24	-10	-110
234103	Risk category D negative subsidy outlays	-----	-6	-30
	Guaranteed loan positive subsidy outlays:			
234201	Risk category B positive subsidy outlays	140	120	10
234203	Risk category D positive subsidy outlays	31	40	-----
234999	Total subsidy outlays	147	144	-130
	Guaranteed loan upward reestimate:			
235002	Risk category C	5	34	-----
235999	Total upward reestimate:	5	34	-----
	Guaranteed loan downward reestimate:			
237001	Risk category B	-284	-117	-----
237002	Risk category C	-----	-271	-----
237003	Risk category D	-----	-334	-----
237999	Total downward reestimate	-284	-722	-----
	Administrative expense data:			
351000	Budget authority	129	129	129
359000	Outlays from new authority	129	129	129

Shaded entries are automatically calculated by MAX.

Contact the OMB representative with primary responsibility for the account to add or modify risk categories.

Enter reestimate budget authority in the appropriate lines (1350xx and 1370xx for direct loans, 2350xx and 2370xx for loan guarantees).

For risk categories with negative subsidy, report lines as negative amounts (1320xx and 1340xx for direct loan risk categories, 2320xx through 2340xx for loan guarantee risk categories.)

Direct Loan Financing Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-4148-0-3-376		PY actual	CY est.	BY est.
	Obligations by program activity:			
00.01	Direct loans	27	60	21
00.02	Interest on Treasury borrowing	24	29	28
	Other expenses:	....	....	....
00.03	Other expenses	17	....	5
10.00	Total new obligations	68	89	54
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	77	122	18
22.00	New financing authority (gross)	131	75	83
22.60	Portion applied to repay debt	-18	-90	-45
23.90	Total budgetary resources available for obligation	190	107	56
23.95	Total new obligations	-68	-89	-54
24.40	Unobligated balance carried forward, end of year	122	18	2
	New financing authority (gross), detail:			
	Mandatory:			
67.10	Authority to borrow	27	24	19
	Spending authority from offsetting collections:			
69.00	Offsetting collections (cash)	82	50	64
	(unexpired)			....
69.10		22	1	...
69.90	Spending authority from offsetting collections (total mandatory)	104	51	64
70.00	Total new financing authority (gross)	131	75	83
	Change in obligated balances:			
72.40	Obligated balance, start of year	25	86	94
73.10	Total new obligations	68	89	54
73.20	Total financing disbursements (gross)	15	-80	-60
74.00	Change in uncollected customer payments from program account (unexpired)	-22	-1	....
74.40	Obligated balance, end of year	86	94	88
87.00	Total financing disbursements (gross)	-15	80	60
	Offsets:			
	Against gross financing authority and financing disbursements:			
	Offsetting collections (cash) from:			
88.00	Federal sources: Payments from program account	2	3	1
	Non-Federal sources:			
88.40	Repayments of principal, net	16	8	10
88.40	Interest received on loans	22	22	28
88.40	Other income	42	17	25
88.90	Total, offsetting collections (cash)	82	50	64
	Against gross financing authority only:			
88.95	Change in uncollected customer payments from program account	22	1	....
	Net financing authority and financing disbursements:			
89.00	Financing authority	27	24	19
90.00	Financing disbursements	-97	30	-4

Shaded entries are automatically calculated by MAX.

You must use special line coding for lines 0001 - 0804. See section 185.11(a) for a complete list.

Line 7400 is automatically copied from line 6910 but with the opposite sign. Update the line stub to be consistent with 6910.

Enter lines 8800-8845 as positive amounts. These amounts will appear in the Budget Appendix with the opposite sign.

Line 8895 is automatically copied from line 6910 but will appear in the Budget Appendix with the opposite sign.

Direct Loan Financing Account
Status of Direct Loans (Schedule G)

Status of Direct Loans (in millions of dollars)

Identification code 73-4148-0-3-376		PY actual	CY est.	BY est.
	Position with respect to appropriations act limitation on obligation:			
1111	Limitation on direct loans	30	60	25
1142	Unobligated direct loan limitations (-)	-3		
1150	Total direct loan obligations	27	60	25
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	93	60	93
	Disbursements:			
1231	Direct loan disbursements	15	48	18
1232	Purchase of loan assets from the public	-30	……………..	……………..
1251	Repayments: Repayments and prepayments	-16	-8	-10
1263	Write-offs for default: Direct loans	-2	-7	-5
1290	Outstanding, end of year	60	93	96

Shaded entries are automatically calculated by MAX.

Include line 1111 even if the value is zero.

Direct Loan Financing Account
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 73-4148-0-3-376		PY-1 actual	PY actual
	ASSETS:		
	Federal assets:		
1101	Fund balances with Treasury	72	198
1106	Receivables, net	0	0
1206	Non-Federal assets: Receivables, net	…………..	29
	Net value of assets related to post-1991 direct loans receivable:		
1401	Direct loans receivable, gross	83	60
1402	Interest receivable	3	2
1405	Allowance for subsidy cost (-)	-7	-5
1499	Net present value of assets related to direct loans	79	57
1404	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Foreclosed property	9	……………
1999	Total assets	160	284
	LIABILITIES		
	Federal liabilities:		
2103	Debt payable to Treasury	160	284
2999	Total liabilities	160	284
	NET POSITION		
3300	Cumulative results of operations	…………..	……………..
3999	Total net position	…………..	……………..
4999	Total liabilities and net position	160	284

Shaded entries are automatically calculated by MAX.

Line 1101 equals obligated and unobligated balances.

See Section 86.2 for detailed information about balance sheets.

Line 1106 includes only undisbursed upward reestimates and interest on such reestimates. Do not report amounts for CY or BY. Do not include undisbursed subsidy from the program account even if it has been obligated.

Include undisbursed downward reestimates and interest on such reestimates on line 2101.

Guaranteed Loan Financing Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-4149-0-3-376		PY actual	CY est.	BY est.
	Obligations by program activity:			
00.01	Default claims	681	720	762
00.05	Other expenses	293	283	159
08.01	Negative subsidy obligations	....	....	162
08.02	Payment of downward reestimate to receipt account	238	558	....
08.03	Payment to liquidating account to purchase loan assets	39	24	24
08.04	Payment of interest on downward reestimate to receipt account	46	164	....
10.00	Total new obligations	1,297	1,749	1,107
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	1,027	849	118
22.00	New financing authority (gross)	1,119	1,018	1,126
23.90	Total budgetary resources available for obligation	2,146	1,867	1,244
23.95	Total new obligations	-1,297	-1,749	-1,107
24.40	Unobligated balance carried forward, end of year	849	118	137
	New financing authority (gross), detail:			
	Spending authority from offsetting collections:			
	Mandatory:			
69.00	Offsetting collections (cash)	1,121	1,079	1,126
69.10	Change in uncollected customer payments from program account (unexpired)	-2	-61	....
69.90	Spending authority from offsetting collections (total mandatory)	1,119	1,018	1,126
	Change in obligated balances:			
72.40	Obligated balance, start of year	75	337	972
73.10	Total new obligations	1,297	1,749	1,107
73.20	Total financing disbursements (gross)	-1,037	-1,175	-1,472
74.00	Change in uncollected customer payments from program account (unexpired)	2	61	....
74.40	Obligated balance, end of year	337	972	607
87.00	Total financing disbursements (gross)	1,037	1,175	1,472
	Offsets:			
	Against gross financing authority and financing disbursements:			
	Offsetting collections (cash) from:			
	Federal sources:			
88.00	Payments from program account	147	140	....
88.00	Upward reestimate	3	31	....
88.00	Interest on reestimate	2	3	....
88.25	Interest on uninvested funds	22	45	46
	Non-Federal sources:			
88.40	Fees	435	588	800
88.40	Proceeds from loan asset sales	60	80	124
88.40	Other	448	154	156
88.90	Total, offsetting collections (cash)	1,117	1,041	1,126
	Against gross financing authority only:			
88.95	Change in uncollected customer payments from program account	-2	-61	....
	Net financing authority and financing disbursements:			
89.00	Financing authority			
90.00	Financing disbursements	-80	134	346

Shaded entries are automatically calculated by MAX.

Line 7400 is automatically copied from line 6910 but with the opposite sign. Update the line stub to be consistent with 6910.

Enter lines 8800-8845 as positive amounts. The amounts will appear in the Budget Appendix with the opposite sign.

Line 8895 is automatically copied from line 6910 but will appear in the Budget Appendix with the opposite sign.

Guaranteed Loan Financing Account
Status of Guaranteed Loans (Schedule H)

Status of Guaranteed Loans (in millions of dollars)

Identification code 73-4149-0-3-376		PY actual	CY est.	BY est.
	Position with respect to appropriations act limitation on commitments:			
2111	Limitation on guaranteed loans made by private lenders	14,874	16,187	17,575
2131	Guaranteed loan commitments exempt from limitation	1,284	……………..	……………..
2142	Uncommitted loan guarantee limitation	-3,006	……………..	……………..
2150	Total guaranteed loan commitments	13,152	16,187	17,575
	Memorandum:			
2199	Guaranteed amount of guaranteed loan commitments	10,522	12,950	14,060
	Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	36,767	31,739	27,572
2231	Disbursements of new guaranteed loans	12,149	10,488	9,111
2251	Repayments and prepayments	-16,463	-13,965	-5,338
	Adjustments			
2261	Terminations for default that result in loans receivable	-681	-656	-670
2264	Other adjustments, net	-33	-34	-35
2290	Outstanding, end of year	31,739	27,572	30,640
	Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	23,280	20,679	22,459
	Addendum:			
	Cumulative balance of defaulted guaranteed loans that result in loans receivable			
2310	Outstanding, start of year	753	817	1,011
2331	Disbursements for guaranteed loan claims	681	656	670
2351	Repayments of loans receivable	-204	-210	-214
2361	Write-offs of loans receivable	-236	-118	-61
2364	Other adjustments, net	-177	-134	-137
2390	Outstanding, end of year	817	1,011	1,269

Shaded entries are automatically calculated by MAX.

Include line 2111 even if the value is zero.

Line 2199 is required even if the value is the same as line 2150.

Guaranteed Loan Financing Account
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 73-4149-0-3-376		PY-1 actual	PY actual
	ASSETS:		
	Federal assets:		
1101	Fund balances with Treasury	1,102	1,186
1106	Receivables, net	5	34
1207	Non-Federal assets:Advances and pre-payments..	……………..	449
	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501	Defaulted guaranteed loans receivable	834	817
1502	Interest receivable	38	37
1505	Allowance for subsidy cost (-)	-215	-78
1599	Net present value of assets related to defaulted guaranteed loans	657	776
1901	Other Federal assets: Other assets	128	197
1999	Total assets	1,892	2,642
	LIABILITIES		
2101	Accounts payable	284	722
2204	Non-Federal liabilities: Liabilities for loan guarantees	1,608	1,920
2999	Total liabilities	1,892	2,642
	NET POSITION		
3300	Cumulative results of operations	……………..	……………..
3999	Total net position	……………..	……………..
4999	Total liabilities and net position	1,892	2,642

Shaded entries are automatically calculated by MAX.

Line 1101 equals obligated and unobligated balances.

Line 1106 includes only undisbursed upward reestimates and interest on such reestimates. Do not report amounts for CY or BY. Do not include undisbursed subsidy from the program account even if it has been obligated.

Include undisbursed downward reestimates and interest on such estimates on line 2101.

See Section 86.2 for detailed information about balance sheets.

The financing account is designed to break even and thus have a zero results of operation.

Liquidating Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-4154-0-3-376		2003 actual	2004 est.	2005 est.
	Obligations by program activity:			
00.01	Interest expense to Treasury	31	25	20
00.03	Miscellaneous program expenses	130	120	150
00.05	Guaranteed loan default claims	26	100	65
10.00	Total new obligations	187	245	235
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	32		
22.00	New budget authority (gross)	187	245	235
22.40	Capital transfer to general fund	-2		
22.60	Portion applied to repay debt	-30		
23.90	Total budgetary resources available for obligations	187	245	235
23.95	Total new obligations	-187	-245	-235
24.40	Unobligated balance carried forward, end of year			
	New budget authority (gross), detail:			
	Mandatory:			
69.00	Offsetting collections (cash)	270	617	327
69.27	Capital transfer to general fund (-)	-3	-22	
69.47	Portion applied to repay debt (-)	-80	-350	-92
69.90	Spending authority from offsetting collections	187	245	235
	Change in obligated balances:			
72.40	Obligated balance, start of year	27	55	20
73.10	Total new obligations	187	245	235
73.20	Total outlays (gross)	-159	-280	-231
74.40	Obligated balance, end of year	55	20	24
	Outlays (gross) detail:			
86.97	Outlays from new mandatory authority	150	265	222
86.98	Outlays from mandatory balances	9	15	9
87.00	Total outlays (gross)	159	280	231
	Offsets:			
	Against gross budget authority and outlays:			
	Offsetting collections (cash) from:			
	Loan repayments:			
	Non-Federal sources:			
88.40	Principal	99	100	80
88.40	Interest Income	20	27	21
88.40	Net changes in receivables from the public	1	7	2
88.40	Sale of acquired collateral	150	433	199
88.90	Total of offsetting collections (cash)	270	617	327
	Net budget authority and outlays:			
89.00	Budget authority	-83	-372	-92
90.00	Outlays	-111	-337	-96

Shaded entries are automatically calculated by MAX.

There should be no unobligated balance at the end of any fiscal year (line 2440) unless an extension has been approved by OMB. Excess amounts should be used to repay debt or transferred to the general fund.

Enter lines 8800-8845 as positive amounts. These amounts will appear in the Budget Appendix with the opposite sign.

Liquidating Account
Status of Direct Loans (Schedule G)

Status of Direct Loans (in millions of dollars)

Identification code 73-4154-0-3-376		PY actual	CY est.	BY est.
	Loan fund A, Direct Loans			
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	555	326	149
1232	Disbursements: Purchase of loans assets from the Public	20	22	18
	Repayments:			
1251	Repayments and prepayments	-126	-119	-39
1252	Proceeds from loan asset sales to the public or discounted prepayments without recourse	-39	-24	-24
1262	Adjustments: Discount on loan asset sales to the public or discounted prepayments	-36	-15	………
1263	Write-offs for default: Direct loans	-48	-41	-13
1290	Outstanding, end of year	326	149	91
	Loan fund B and C, Direct Loans			
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	193	159	137
	Repayments:			
1251	Repayments and prepayments	-20	-13	-15
1252	Proceeds from loan asset sales to the public or discounted	-14	-9	-5
1290	Outstanding, end of year	159	137	117

Shaded entries are automatically calculated by MAX.

For liquidating accounts, do not use lines 1111-1150. Most liquidating accounts should not use line 1231. Liquidating accounts should not use schedule Y lines 6200 or 6300 (net financing disbursements).

Liquidating Account
Status of Guaranteed Loans (Schedule H)

Status of Guaranteed Loans (in millions of dollars)

Identification code 73-4154-0-3-376		PY actual	CY est.	BY est.
	Loan Fund D, Loan Guarantees			
	Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	2,652	2,010	1,578
2251	Repayments and prepayments	-613	-398	-313
	Adjustments:			
2261	Terminations for default that result in loans receivable	-26	-28	-22
2264	Other adjustments, net	-3	-6	-5
2290	Outstanding, end of year	2,010	1,578	1,238
	Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	1,766	1,442	1,127
	Addendum:			
	Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year	1,378	1,320	1,242
2331	Disbursements for guaranteed loan claims	26	28	22
2361	Write-offs of loans receivable	-9	-6	……..
2364	Other adjustments, net	-75	-100	……..
2390	Outstanding, end of year	1,320	1,242	1,264

Shaded entries are automatically calculated by MAX.

For liquidating accounts, do not use lines 2111-2150 or 6300. Most liquidating accounts should not use line 2231. Liquidating accounts should not use schedule Y lines 6200 or 6300 (net financing disbursements).

Liquidating Account
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 73-4154-0-3-376		PY-1 actual	PY actual
	ASSETS:		
	Federal assets:		
1101	Fund balances with Treasury	779	920
	Investments in US securities:		
1102	Treasury securities, net	244	218
1107	Advances and prepayments	6	3
	Non-Federal Assets		
1206	Receivables, net	214	280
1207	Advances and prepayments	8	8
	Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Direct loans, gross	748	484
1603	Allowance for estimated uncollectible loans and interest (-)	-303	-73
1699	Value of assets related to direct loans	445	411
1901	Other Federal assets: Other assets	21	115
1999	Total assets	1,717	1,955
	LIABILITIES		
	Federal liabilities:		
2101	Accounts payable	1,123	48
2102	Interest payable	57	96
2103	Debt to the FFB	193	159
2105	Other Liabilities	…………..	1,046
	Non-Federal liabilities		
2201	Accounts payable	13	108
2204	Liabilities for loan guarantees	18	13
2207	Other Liabilities	313	485
2999	Total liabilities	1,717	1,955
	NET POSITION		
3300	Cumulative results of operations	…………..	……………..
3999	Total net position	…………..	……………..
4999	Total liabilities and net position	1,717	1,955

Shaded entries are automatically calculated by MAX.

See Section 86.2 for detailed information about balance sheets.

Standard Appropriations Language

Subsidy cost of the direct loan program

Subsidy cost of the loan guarantee program

For the cost of direct loans, $11,530,000, and for the cost of loan guarantees, $6,000,000, as authorized by 7 U.S.C. 999: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $100,000,000 and total loan principal, any part of which is to be guaranteed, not to exceed $70,000,000. In addition, for administrative expenses to carry out direct and loan guarantee programs, $1,000,000.

Authorizing statute

Limitation on direct loan program

Limitation on loan guarantee program

Administrative expenses

Please see A-11 Section 95.7 for more information on appropriations language for credit programs.

Initial Apportionment
Program Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0138 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government BUREAU: Office of the Secretary	APPROPRIATION OR FUND TITLE AND SYMBOL Credit Program Account 80Y0138		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
	Appropriation:			
3A1	Actual		18,530,000	Subsidy ($11,530,000 + $6,000,000) + administrative expenses
7	**Total budgetary resources**		18,530,000	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			These two entries should be equal.
	Category B:			
8B1	Direct loan subsidy		11,530,000	
8B2	Guaranteed loan subsidy		6,000,000	
8B3	Administrative expenses		1,000,000	
11	**Total budgetary resources**		18,530,000	

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED Authorized officer (Date)

APPORTIONED________________ (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Initial Apportionment
Direct Loan Financing Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
4147 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Direct Loan Financing Account 80X4147		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
3B	Borrowing authority		88,470,000	
	Spending authority from offsetting collections (gross):			
3D3	Anticipated for rest of year, without advance		21,773,000	
	Permanently not available:			
6F	Anticipated for rest of year (-)		-8,562,750	
7	**Total budgetary resources**		101,680,250	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category A:			
8A1	First quarter		25,000,000	
8A2	Second quarter		25,000,000	
8A3	Third quarter		25,000,000	
8A4	Fourth quarter		25,000,000	
	Category B:			
8B1	Interest paid to Treasury		1,680,250	
11	**Total budgetary resources**		101,680,250	

Direct loan limitation ($100,000,000) minus subsidy ($11,530,000).

Subsidy from the program account ($11,530,000) + repayments from borrower ($10,243,000). 100% of the subsidy is recorded because the spending plan assumes that all loans will be obligated in the first year.

Anticipated principal repayments to Treasury.

These two entries should be equal.

SUBMITTED *Authorized officer* (Date)

APPORTIONED________________ (Date)

Initial Apportionment
Guaranteed Loan Financing Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
4148 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Guaranteed Loan Financing Account 80X4148		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	PROGRAM LEVEL			
	Guaranteed loan levels:			
G1A	Current year………………………………………………………		70,000,000	
G1B	Unused from prior years………………………………………			
	APPLICATION			
	Apportioned:			
	Category A:			
G8A1	First quarter			
G8A2	Second quarter			
G8A3	Third quarter			
G8A4	Fourth quarter			
	Category B:			
G8B1	Guaranteed loan program		70,000,000	
	BUDGETARY RESOURCES			
	Budget authority:			
	Spending authority from offsetting collections (gross):			
3D3	Anticipated for rest of year, without advance…………………………		6,360,000	
7	**Total budgetary resources……………………………………**		6,360,000	
	APPLICATION OF BUDGETARY RESOURCES			
10C	**Unapportioned balance of revolving fund……………………**		6,360,000	
11	**Total budgetary resources……………………………………**		6,360,000	

Limitation on loan guarantees.

Lines G1A and G1B are only used on the SF 132 for guaranteed loan financing accounts.

Subsidy from the program account ($6,000,000) + interest from Treasury ($360,000)

These two entries should be equal.

SUBMITTED Authorized officer (Date)

APPORTIONED__________ (Date)

INITIAL APPORTIONMENT SIDE-BY-SIDE-ACCOUNT COMPARISON

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
		Program Level	
Guaranteed loan levels G1A. Current year			Record the loan guarantee limitation, in this case $70,000,000. For mandatory programs, record the amount of guaranteed loans anticipated to be committed.
		Application	
Apportioned: Category B G1B. Guaranteed loan program			Should equal the amount on line 1 immediately above.
		Budgetary Resources	
Budget authority Appropriations 3A1. Actual	The total amount specified in the appropriations language and becoming available on or after October 1 of the fiscal year. It is composed of amounts to cover direct and guaranteed loan subsidy costs and administrative expenses ($11,530,000 +$6,000,000 + $1,000,000).		
3B. Borrowing authority		The amount of borrowing authority anticipated to be used to cover obligations during the year that are not covered by subsidy cost payments or fees. Usually, assume direct loan obligations equal to the direct loan limitation and subtract corresponding estimates of subsidy cost payments and any fees paid by the borrower ($100,000,000–$11,530,000). (This example assumes borrowers are not charged any fees.)	
Spending authority from offsetting collections		The expected collections of credit subsidy cost	The expected collections of credit subsidy cost

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
(Gross) 3D3. Anticipated for rest of year, without advance		payments from the program account, plus expected repayments from borrowers ($11,530,000 + $10,243,000).	payments from the program account plus interest earned from Treasury ($6,000,000 + $360,000).
Permanently not available 6F. Anticipated rest of year		Repayments of Treasury debt are shown as a reduction in resources rather than as obligations and disbursements. Does not include interest payments made on debt owed to Treasury, which are treated as an obligation and an outlay. To calculate principal repayments to Treasury, contact your OMB representative.	
7. Total Budgetary Resources	The sum of lines 1–6 and always equal to line 12.	The sum of lines 1–6 and always equal to line 12.	The sum of lines 1–6 and always equal to line 12.
	Application of Budgetary Resources		
Apportioned Category A: 8A1. First quarter 8A2. Second quarter 8A3. Third quarter 8A4. Fourth quarter		The amount for each quarter to incur direct loan obligations and to disburse loans. Assuming that 100% of the direct loans will be obligated evenly throughout the first year, entries for each quarter are calculated by dividing the direct loan limitation level equally into four quarters ($100,000,000 * .25).	
Category B: 8B1. Direct loan subsidy cost 8B2. Guaranteed loan subsidy cost 8B3. Administrative expenses 8B4. Interest paid to Treasury	Includes separate amounts for direct loan and loan guarantee subsidy cost and administrative expenses. Because this program expects to obligate the full amounts in the first fiscal year, the total amount of subsidy cost and administrative expenses appropriated to the account should be apportioned.	In this example, $1,680,250 is requested for interest payments to Treasury.	
10C. Unapportioned balance of revolving fund			Records the amount of subsidy cost payments and interest which will be held

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
			to finance future defaults ($6,000,000 + $360,000).
11. Total Budgetary Resources	The sum of lines 8–10 and always equal to line 7.	The sum of lines 8–10 and always equal to line 7.	The sum of lines 8–10 and always equal to line 7.

Reapportionment for Modification
Program Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0138 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government BUREAU: Office of the Secretary	APPROPRIATION OR FUND TITLE AND SYMBOL Credit Program Account 80Y0138		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
	Appropriation:			
3A1	Actual…………	18,530,000	19,530,000	
7	**Total budgetary resources…………**	18,530,000	19,530,000	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category B:			
8B1	Direct loan subsidy…………	11,530,000	11,530,000	
8B2	Guaranteed loan subsidy…………	6,000,000	6,000,000	
8B3	Administrative expenses…………	1,000,000	1,000,000	
8B4	Direct loan modification…………		1,000,000	
11	**Total budgetary resources…………**	18,530,000	19,530,000	

Subsidy ($11,530,000 + $6,000,000) + modification ($1,000,000) + administrative expenses ($1,000,000).

If your current apportionment does not provide budgetary resources to cover the modification cost, you must submit a reapportionment.

These two entries should be equal.

Budgetary resources for modifications must be apportioned in advance.

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED *Authorized officer* ______ (Date) APPORTIONED ______ (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Reapportionment for Upward Reestimate
Program Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0138 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Credit Program Account 80Y0138		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
	Appropriation:			
3A1	Actual	18,530,000	18,530,000	
3A2	Anticipated……… FCRA		1,000,000	
7	**Total budgetary resources**	18,530,000	19,530,000	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category B:			
8B1	Direct loan subsidy	11,530,000	11,530,000	
8B2	Guaranteed loan subsidy	6,000,000	6,000,000	
8B3	Administrative expenses	1,000,000	1,000,000	
8B4	Reestimate		1,000,000	
11	**Total budgetary resources**	18,530,000	19,530,000	

Until indefinite appropriations are warranted, include them on line 3A2. On subsequent apportionments, include the warranted amounts on line 3A1 (see line description of indefinite appropriation).

If your current apportionment does not provide budgetary resources to cover the upward reestimate, you must submit a reapportionment requesting permanent indefinite authority to cover upward reestimate of $1,000,000.

These two entries should be equal.

Budgetary resources for upward reestimate.

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED *Authorized officer* (Date)   APPORTIONED ______________ (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Reapportionment for Downward Reestimate
Direct Loan Financing Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
4148 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government BUREAU: Office of the Secretary	APPROPRIATION OR FUND TITLE AND SYMBOL Direct Loan Financing Account 80X4148		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
3B	Borrowing authority	88,470,000	88,470,000	
	Spending authority from offsetting collections (gross):			
	Earned:			
3D1a	Collected	21,773,000	22,773,000	
	Permanently not available:			
6C	Capital transfers and redemption of debt (-)	-8,562,750	-8,562,750	
7	**Total budgetary resources**	101,680,250	102,680,250	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category A:			
8A1	First quarter	25,000,000	25,000,000	
8A2	Second quarter	25,000,000	25,000,000	
8A3	Third quarter	25,000,000	25,000,000	
8A4	Fourth quarter	25,000,000	25,000,000	
	Category B:			
8B1	Interest paid to Treasury	1,680,250	1,680,250	
8B2	To receipt account		1,000,000	
11	**Total budgetary resources**	101,680,250	102,680,250	

Direct loan limitation ($100,000,000) minus subsidy ($11,530,000).

$1,000,000 more was collected from borrowers than estimated.

If your current apportionment does not address the downward reestimate, you must submit a reapportionment.

Use 6C (actual) and 6F (anticipated) to show principal repayments to Treasury.

These two entries should be equal.

Downward reestimates are obligated and disbursed to the receipt account.

SUBMITTED *Authorized officer* (Date) APPORTIONED ______ (Date)

End of First Quarter: Program Account
Report on Budget Execution

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 12/31/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Office of the Secretary	Credit Program Account			
	Unexpired			
BUDGETARY RESOURCES				
3. Budget authority:				
A. Appropriation:				
1. Actual	18,530,000	The appropriations becoming available on or after October 1 of the fiscal year. In this case, it is composed of direct loan subsidy ($11,530,000) + guaranteed loan subsidy ($6,000,000) + administrative expenses ($1,000,000).		
7. Total budgetary resources	18,530,000			
STATUS OF BUDGETARY RESOURCES				
8. Obligations incurred:				
A. Direct				
2. Category B:				
1. Direct loan subsidy	2,882,500	25% of the total direct and guaranteed loan subsidy has been obligated.		
2. Guaranteed loan subsidy	1,500,000			
3. Administrative expenses	250,000	25% of the total administrative expenses has been obligated.		
9. Unobligated balance:				
A. Apportioned:				
1. Balance, currently available	13,897,500	Amount apportioned under Category B of the latest SF 132 ($18,530,000) minus the total obligations incurred on line 8.B. above ($4,632,500).		
11. Total status of budgetary resources	18,530,000			
CHANGE IN OBLIGATED BALANCES				
12. Obligated balance, net:				
A. Unpaid obligations, brought forward, October 1 (+)				
13. Obligations incurred (+)	4,632,500			
14. Gross outlays (-)	-3,756,000			
18. Obligated balance, net, end of period:				
A. Unpaid obligations (+)	876,500	Loan subsidy obligated but not yet disbursed.		
B. Uncollected customer payments from Federal sources (-)				
NET OUTLAYS				
19. Net outlays:				
A. Gross outlays (+)	3,756,000	Loan subsidy and administrative cost obligated and disbursed.		
B. Offsetting collections (-)				

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED ____________________ __________
(Authorized Officer) (Date)

(Preparer: Name) ____________________________
(Address) ____________________________
(Phone number) ____________________________

End of First Quarter: Direct Loan Financing Account
Report on Budget Execution

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Fiscal Year CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Office of the Secretary	Direct Loan Financing Account	
	Unexpired	
BUDGETARY RESOURCES		
3. Budget authority:		
B. Borrowing authority…………	88,470,000	Amount apportioned on latest SF 132.
D. Spending authority from offsetting collections (gross):		
1. Earned:		
a. Collected………	2,306,000	As direct loans are obligated and disbursed, the loan subsidy is collected from the program account.
2. Change in unfilled customer orders (+ or -):		
b. Without advance from Federal sources………	576,500	Direct loan subsidy obligated but not yet received from the program account.
3. Anticipated for rest of year, without advance…………	18,890,500	The remainder of the loan subsidy expected from the program account for the unobligated portion of the direct loans plus the expected repayments from borrowers that will not be received until the end of the fiscal year.
6. Permanently not available (-):		
C. Capital transfers and redemption of debt (-)………	-8,562,750	Use 6C (actual) and 6F (anticipated) to show principal repayments to Treasury.
7. Total budgetary resources………	101,680,250	
STATUS OF BUDGETARY RESOURCES		
8. Obligations incurred:		
A. Direct………		
1. Category A………	25,000,000	Obligations incurred against the amount apportioned for this period under Catergory A of the latest SF 132.
2. Category B:		
1. Interest payment to Treasury………	1,680,250	Interest is obligated through the year but not yet disbursed.
10. Unobligated balance not available:		
A. Apportioned for subsequent periods………	75,000,000	Amount apportioned on latest SF 132 by time periods (under Category A &B) that will not become available until after the reporting period.
11. Total status of budgetary resources………	101,680,250	
CHANGE IN OBLIGATED BALANCES		
12. Obligated balance, net:		
A. Unpaid obligations, brought forward, October 1 (+)………		
13. Obligations incurred (+)………	26,680,250	
14. Gross outlays (-)………	-20,000,000	
17. Change in uncollected customer payments from Federal sources………	-576,500	
18. Obligated balance, net, end of period:		
A. Unpaid obligations (+)………	6,680,250	Direct loans obligated but not yet disbursed + interest payment to Treasury obligated but not yet disbursed.
B. Uncollected customer payments from Federal sources (-)………	-576,500	Subsidy receivable from the program account for the portion of the direct loans that were obligated but not disbursed.
NET OUTLAYS		
19. Net outlays:		
A. Gross outlays (+)………	20,000,000	Loans disbursed from the account, as of this reporting period.
B. Offsetting collections (-)………	-2,306,000	

Direct loan subsidy collected from program account.

SUBMITTED ____________ ____________
(Authorized Officer) (Date)

(Preparer: Name) ____________
(Address) ____________
(Phone number) ____________

End of First Quarter: Guaranteed Loan Financing Account
Report on Budget Execution

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Fiscal Year CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Office of the Secretary	Guaranteed Loan Financing Account			
	Unexpired			
BUDGETARY RESOURCES				
3. Budget authority:				
B. Borrowing authority				
D. Spending authority from offsetting collections (gross):				
1. Earned:				
a. Collected	1,200,000			
2. Change in unfilled customer orders (+ or -):				
b. Without advance from Federal sources	300,000			
3. Anticipated for rest of year, without advance	4,860,000			
7. Total budgetary resources	6,360,000			
STATUS OF BUDGETARY RESOURCES				
10. Unobligated balance not available:				
C. Other	6,360,000			
11. Total status of budgetary resources	6,360,000			
CHANGE IN OBLIGATED BALANCES				
12. Obligated balance, net:				
A. Unpaid obligations, brought forward, October 1 (+)				
13. Obligations incurred (+)				
14. Gross outlays (-)				
17. Change in uncollected customer payments from Federal sources	-300,000			
18. Obligated balance, net, end of period:				
A. Unpaid obligations (+)				
B. Uncollected customer payments from Federal sources (-)	-300,000			
NET OUTLAYS				
19. Net outlays:				
A. Gross outlays (+)				
B. Offsetting collections (-)	-1,200,000			

When loan guarantees have been committed and the loans disbursed, the subsidy is received from the program account.

Subsidy obligated but not yet received from program account.

The remainder of loan guarantee subsidy expected from the program account.

Guaranteed loan financing accounts hold a reserve for future defaults.

Subsidy collected from program account.

SUBMITTED ____________ ____________
(Authorized Officer) (Date)

(Preparer: Name) ____________
(Address) ____________
(Phone number) ____________

BUDGET EXECUTION REPORTING—END OF FIRST QUARTER
SIDE-BY-SIDE ACCOUNT COMPARISON

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
Budgetary Resources			
3. Budget Authority A. Appropriations 1. Actual	The total amount becoming available on or after October 1 of the fiscal year. It is composed of amounts for direct loan and loan guarantee subsidy costs and administrative expenses ($11,530,000 + $6,000,000 + $1,000,000). The entry for this line should equal the entry on line 3A of the latest SF 132 for this account.		
B. Borrowing authority		The amount of borrowing authority anticipated to be used to cover obligations during the year that are not covered by subsidy cost payments or fees. Usually, assume direct loan obligations equal to the direct loan limitation and subtract corresponding estimates of subsidy cost payments and any fees paid by the borrower ($100,000,000–$11,530,000). The entry for this line should equal the entry on line 3B of the latest SF 132 for this account.	
D. Spending authority from offsetting collections (Gross) 1. Earned a. Collected		When a direct loan is disbursed, the financing account collects the subsidy cost payment from the program account. So far, only 80% of the loans obligated this quarter have been disbursed so only 80% of the subsidy cost should be collected ($2,882,500 * .8). Later, as borrowers make repayments, such amounts will also be recorded on this line.	When a guaranteed loan is disbursed by a private lender, the financing account collects the subsidy cost payment from the program account. These collections are held to finance future defaults. So far, private lenders have disbursed only 80% of the loans guaranteed this quarter ($1,500,000 * .8).

Line Entry	**Program Account**	**Financing Account: Direct**	**Financing Account: Guaranteed**
2. Change in unfilled customer orders: b. Without advance from Federal sources		The portion of the subsidy cost for loans obligated but not yet disbursed in the first quarter ($2,882,500 * .2). When the remaining 20% of the loans is disbursed, the program account will pay the remaining subsidy cost to the financing account, and the amount on this line will be moved to line 3A1.	The portion of the subsidy cost for guarantees committed but not yet disbursed in the first quarter ($1,500,000 * .2). When the remaining 20% of the loans is disbursed, the program account will pay the remaining subsidy cost to the financing account, and the amount on this line will be moved to line 3A1.
3. Anticipated for rest of year without advance		The anticipated subsidy cost payments from the program account for loans planned to be obligated in the remaining quarters of this year and expected borrower repayments of principal and interest for this year [($2,882,500 * 3) + $10,243,000]. As direct loans are obligated and disbursed, reflect these actions by moving the corresponding amounts to lines 3A2 and 3A1, as appropriate.	The anticipated subsidy cost payments from the program account for guarantees planned to be committed in the remaining quarters of this year and interest earned from Treasury [($1,500,000 * 3) + $360,000]. As guarantees are committed and guaranteed loans are disbursed, reflect these actions by moving the corresponding amounts to lines 3A2 and 3A1, as appropriate.
6. Permanently not available F. Anticipated rest of year		Repayments of Treasury debt are shown as a reduction in resources rather than as an obligation of resources. This entry does not include interest payments made on borrowing from Treasury, which are treated as an obligation and an outlay.	
7. Total Budgetary Resources	Represents all the budgetary resources available for new obligations. This line should always equal line 11. However, because this is an example of a new program, the entry should also equal line 3A.	The sum of lines 1–6 and should equal line 11.	The sum of lines 1–6 and should equal line 11.

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
Status of Budgetary Resources			
8. Obligations incurred A. Direct 1. Category A		A quarter of the borrowing authority and subsidy cost has been obligated ($100,000,000 * .25).	
2. Category B: 1. Direct loan subsidy cost 2. Guaranteed loan subsidy cost 3. Admin. expenses 4. Interest payment to Treasury	A quarter of the direct loan and loan guarantee subsidy cost and administrative expenses has been obligated, so a quarter of each [.25 * ($11,530,000 + $6,000,000 + $1,000,000)] is recorded.	The interest payment to Treasury ($1,680,250) is recorded.	
9. Unobligated balance: A. Apportioned: 1. Balance currently available	Based on the latest SF 132, a total of $18,530,000 is apportioned for this account, but only $4,632,500 ($2,882,500 + $1,500,000 +$250,000) has been obligated. Therefore, the remaining $13,897,500 is recorded.		
10. Unobligated balance not available: A. Apportioned for subsequent periods		Because this account is apportioned by time periods, the amount apportioned on the latest SF 132 (line 8, *Category A*) that will not become available until after this reporting period is recorded here. This is calculated by taking the total Category A apportionment on the latest SF 132 minus the obligations incurred on line 8A of this SF 133 ($100,000,000–$25,000,000).	
C. Other			Guaranteed loan financing accounts hold an interest-earning reserve for future defaults. Record the amount of subsidy cost payments and interest received and anticipated ($4,860,000 + $1,200,000 + $300,000) for the year.

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
11. Total Status of Budgetary Resources	The sum of lines 8–10 and should equal line 7.	The sum of lines 8–10 and should equal line 7.	The sum of lines 8–10 and should equal line 7.
		Change in Obligated Balances	
18. Obligated balance, net, end of period: A. Unpaid obligations	The amount of obligated but not disbursed budgetary resources. In this example, 20% of the subsidy cost obligated in the first quarter will not be disbursed until a later quarter [($2,882,500 + $1,500,000) * .2].	The amount payable to Treasury for interest expense and the amount of direct loans obligated but not yet disbursed by the financing account [$1,680,250 + ($25,000,000 * .2)].	
B. Uncollected customer payments, from Federal sources		The amount of direct loan subsidy cost payment receivable from the program account for the portion of the direct loan subsidy cost that was obligated but remains undisbursed ($2,882,500 * .2).	
		Net Outlays	
19. Net outlays A. Gross Outlays	The amount of obligations that are liquidated by disbursements. In this example, only 80% of the subsidy cost obligated this quarter [($2,882,500 + $1,500,000) * .8] (see line 3A1 of the financing account) and 25% of the administrative expenses have been disbursed. The sum of these two disbursements ($3,506,000 + $250,000) is recorded.	The loan amount outlayed. Only 80% of the $25,000,000 obligated is disbursed as of this reporting period ($25,000,000 * .8).	
B. Offsetting collections		Repayments from the borrowers are not expected until the end of the year, so this entry should reflect only the amount of the direct loan subsidy cost payments that have been disbursed from the program account (see line 3D1a), recorded as a negative amount.	Records the amount of the loan guarantee subsidy cost payments that have been disbursed from the program account (see line 3D1a), recorded as a negative amount.

End of Fiscal Year: Program Account
Report on Budget Execution

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ending 9/30 CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Office of the Secretary	Credit Program Account			
	Unexpired			
BUDGETARY RESOURCES				
3. Budget authority:				
A. Appropriation:				
1. Actual	18,530,000			
7. Total budgetary resources	18,530,000			
STATUS OF BUDGETARY RESOURCES				
8. Obligations incurred:				
A. Direct				
2. Category B:				
1. Direct loan subsidy	11,530,000			
2. Guaranteed loan subsidy	6,000,000	100% of direct and guaranteed loan subsidy and administrative expenses have been obligated.		
3. Administrative expenses	1,000,000			
11. Total status of budgetary resources	18,530,000			
CHANGE IN OBLIGATED BALANCES				
12. Obligated balance, net:				
A. Unpaid obligations, brought forward, October 1 (+)				
13. Obligations incurred (+)	18,530,000			
14. Gross outlays (-)	-15,024,000			
18. Obligated balance, net, end of period:				
A. Unpaid obligations (+)	3,506,000	Loan subsidy obligated but not yet disbursed.		
B. Uncollected customer payments from Federal sources (-)				
NET OUTLAYS				
19. Net outlays:				
A. Gross outlays (+)	15,024,000	Loan subsidy and administrative cost obligated and disbursed.		
B. Offsetting collections (-)				

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED ____________________ __________
(Authorized Officer) (Date)

(Preparer: Name) ____________________________
(Address) ____________________________
(Phone number) ____________________________

End of Fiscal Year: Direct Loan Financing Account
Report on Budget Execution

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Fiscal Year CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Office of the Secretary	Direct Loan Financing Account	
	Unexpired	
BUDGETARY RESOURCES		
3. Budget authority:		
B. Borrowing authority…………………………………………	88,470,000	Amount apportioned on latest SF 132.
D. Spending authority from offsetting collections (gross):		
1. Earned:		
a. Collected...…...........….....................……………………	19,467,000	Direct loan subsidy collected from the program account ($11,530,000 * 80%) + repayments from borrower ($10,243,000).
2. Change in unfilled customer orders (+ or -):		
b. Without advance from Federal sources…………..........	2,306,000	Portion of the direct loan subsidy obligated but not yet disbursed from the program account ($11,530,000* 20%).
6. Permanently not available (-):		
C. Capital transfers and redemption of debt (-).….....................	-8,562,750	Actual principal repayments to Treasury.
7. Total budgetary resources......…….........................……………	101,680,250	
CHANGE IN OBLIGATED BALANCES		
8. Obligations incurred:		
A. Direct		
1. Category A………………………………………………	100,000,000	
2. Category B:		
1. Interest payment to Treasury……....…..............………	1,680,250	
11. Total status of budgetary resources........……...................……	101,680,250	
CHANGE IN OBLIGATED BALANCES		
12. Obligated balance, net:		
A. Unpaid obligations, brought forward, October 1 (+)..…..........		
13. Obligations incurred (+)……………………………………	101,680,250	
14. Gross outlays (-)……………………………………………	-81,680,250	
17. Change in uncollected customer payments from Federal sources …..	-2,306,000	
18. Obligated balance, net, end of period:		
A. Unpaid obligations (+)..…..	20,000,000	Amount of direct loans obligated but not yet disbursed ($100,000,000 * 20%).
B. Uncollected customer payments from Federal sources (-).…...	-2,306,000	Direct loan subsidy still receivable from program account.
NET OUTLAYS		
19. Net outlays:		
A. Gross outlays (+)………………………...……………….....	81,680,250	Portion of the loan that has been disbursed ($100,000,000 * 80%) + interest paid to Treasury ($1,680,250).
B. Offsetting collections (-)……………………………………	-19,467,000	Direct loan subsidy collected from the program account ($11,530,000 * 80%) + repayments from borrower ($10,243,000).

SUBMITTED ____________________ __________
(Authorized Officer) (Date)

er: Name) ____________________
ss) ____________________
number) ____________________

End of Fiscal Year: Guaranteed Loan Financing Account
Report on Budget Execution

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Fiscal Year CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Office of the Secretary	Guaranteed Loan Financing Account			
	Unexpired			
BUDGETARY RESOURCES				
3. Budget authority:				
B. Borrowing authority………				
D. Spending authority from offsetting collections (gross):				
1. Earned:				
a. Collected………	5,160,000	Subsidy collected from the program account plus interest.		
2. Change in unfilled customer orders (+ or -):				
b. Without advance from Federal sources………	1,200,000	The portion of subsidy obligated but not received from the program account.		
7. Total budgetary resources………	6,360,000			
STATUS OF BUDGETARY RESOURCES				
10. Unobligated balance not available:				
C. Other………	6,360,000	Guaranteed loan financing accounts hold a reserve for future defaults.		
11. Total status of budgetary resources………	6,360,000			
CHANGE IN OBLIGATED BALANCES				
12. Obligated balance, net:				
A. Unpaid obligations, brought forward, October 1 (+)………				
13. Obligations incurred (+)………				
14. Gross outlays (-)………				
17. Change in uncollected customer payments from Federal sources………	-1,200,000			
18. Obligated balance, net, end of period:				
A. Unpaid obligations (+)………				
B. Uncollected customer payments from Federal sources (-)………	-1,200,000			
NET OUTLAYS				
19. Net outlays:				
A. Gross outlays (+)………				
B. Offsetting collections (-)………	-5,160,000	Amount of subsidy and interest collected.		

SUBMITTED ____________________ __________
(Authorized Officer) (Date)

(Preparer: Name) ____________________
(Address) ____________________
(Phone number) ____________________

BUDGET EXECUTION REPORTING—END OF FISCAL YEAR
SIDE-BY-SIDE ACCOUNT COMPARISON

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
Budgetary Resources			
3. Budget Authority: A. Appropriations 1. Actual	In this example, this entry should be the same as the End of First Quarter.		
B. Borrowing authority		In this example, this entry should be the same as the End of First Quarter. Any unobligated borrowing authority must be returned at the end of the fiscal year.	Any unobligated borrowing authority must be returned at the end of the fiscal year.
D. Spending authority from offsetting collections (Gross) 1. Earned a. Collected		This entry should be updated to reflect that payments totaling 80% of the subsidy cost ($11,530,000 * .8) have been collected from the program account and $10,243,000 was collected from borrower repayments.	This entry should be updated to reflect that payments totaling 80% of the subsidy cost ($6,000,000 * .8) have been collected from the program account and $360,000 was received from Treasury for interest.
2. Change in unfilled customer orders: b. Without advance from Federal sources		The remaining 20% of the subsidy cost payments receivable from the program account is recorded ($11,530,000 * .2).	The remaining 20% of the subsidy cost payments receivable from the program account is recorded ($6,000,000 *.2).
6. Permanently not available C. Capital transfers and redemption of debt		After debt is actually repaid, use this line.	
7. Total Budgetary Resources	The sum of lines 1–6 and should always equal line 11.	The sum of lines 1–6 and should always equal line 11.	The sum of lines 1–6 and should always equal line 11.
Status of Budgetary Resources			
8. Obligations incurred A. Direct 1. Category A		Update this line to reflect that the full $100,000,000 has been obligated.	
2. Category B: (a) Direct loan subsidy cost (b) Guaranteed loan subsidy cost	The full amount of direct and guaranteed loan subsidy cost ($11,530,000 + $6,000,000) and administrative expenses	Record the interest payment to Treasury.	

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
(c) Admin. Expenses	($1,000,000) has been obligated.		
(d) Interest payment to Treasury			
10. Unobligated balance not available: C. Other			The amount of subsidy cost payments and interest received and anticipated ($5,160,000 + $1,200,000) for the year.
11. Total Status of Budgetary Resources	The sum of lines 8–10 and should equal line 7.	The sum of lines 8–10 and should equal line 7.	The sum of lines 8–10 and should equal line 7.
	Change in Obligated Balances		
18. Obligated balance, net, end of period: A. Unpaid obligations	Records the amount of direct loan and loan guarantee subsidy cost and administrative expenses obligated but undisbursed. Reflects the amount of budgetary resources for subsidy cost that remains in the program account [($11,530,000 + $6,000,000) * .2]. All of the administrative expenses have been disbursed.	This is the amount of loans obligated but not yet disbursed ($100,000,000 * .2).	
B. Uncollected customer payments, from Federal sources		Records the remaining 20% of the loan subsidy cost obligated but not yet disbursed ($11,530,000 * .2).	
	Net Outlays		
19. Net outlays A. Gross Outlays	When a direct loan is disbursed from the financing account, the subsidy cost payment moves from lines 13 and 18A to lines 14 and 19A. In this example, because 80% of the loans and 100% of the administrative expenses have been disbursed, the entry is 80% of the subsidy cost plus the full amount of administrative expenses [($17,530,000 * .8) + $1,000,000].	Record the loans disbursed plus the amount of interest paid to Treasury [($100,000,000 * .8) + $1,680,250].	

Line Entry	**Program Account**	**Financing Account: Direct**	**Financing Account: Guaranteed**
B. Offsetting collections		The amount of loan subsidy cost payments collected from the program account and the amount of repayments collected from borrowers is recorded as a negative value [($11,530,000 * .8) + $10,243,000].	Update this entry to reflect the subsidy cost payments and interest received.

CIRCULAR NO. A–11

PART 6

PREPARATION AND SUBMISSION OF STRATEGIC PLANS, ANNUAL PERFORMANCE PLANS, AND ANNUAL PROGRAM PERFORMANCE REPORTS

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 200—OVERVIEW OF STRATEGIC PLANS, PERFORMANCE BUDGETS, AND PERFORMANCE AND ACCOUNTABILITY REPORTS

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Summary Schedule

Updated and revised strategic plan sent to Congress and OMB……….	within three years of the date of transmittal of the previous updated and revised strategic plan to Congress
FY 2011 performance budget to OMB…………………………………	September 14, 2009
FY 2011 performance budget completed ……………………………...	October-December 2009 (after final appropriations action and budget appeals)
FY 2009 Performance and Accountability Reports to President and Congress………………………………………………………….	by November 16, 2009
FY 2009 Annual Financial Reports to President and Congress..……….	by November 16, 2009
FY 2009 Summary of Performance and Financial Information Published……………………………………………………….……….	February 15, 2010
FY 2011 Congressional Budget Justification (incorporating performance Budget (APR)) sent to Congress………………………………………..	February 2, 2010
Interim adjustments to strategic plans sent to Congress.……………….	TBD (with performance budget for FY 2011)

Agencies should note that OMB Circular No. A–19 on legislative coordination and clearance applies to plans and reports sent to Congress.

Summary of Changes

Drops references to the Performance Assessment and Rating Tool (PART).

Describes the alternatives to the performance and accountability report (section 200.4).

200.1 Overview.

Strategic plans, annual performance plans, and annual program performance reports comprise the main elements of the Government Performance and Results Act (GPRA, or the Results Act) (31 U.S.C. § 1115). Together, these elements create a recurring cycle of reporting, planning and execution. Performance measures included in these plans should be consistent with those used in program assessments.

Agencies should prepare performance budgets, in lieu of separate annual performance plans, that satisfy all statutory requirements for the annual performance plan. Please see sections 51 and 220 for further information on performance budgets. Section 230 covers the preparation and submission of annual performance reports, which are included in the performance and accountability report (PAR) or the Congressional Budget Justification (CBJ)/Performance Budget for agencies that participate in the PAR pilot.

200.2 What do I need to know about complying with the Government Performance and Results Act?

Performance-based management and budgeting begins with an overarching strategic plan. Such plans are required by the Government Performance and Results Act (31 U.S.C. § 1115). In addition to a strategic plan, GPRA requires agencies to prepare related annual performance plans and annual performance reports (31 U.S.C. § 1115). The legal requirements for an annual performance plan are met by a performance budget. The annual performance report requirement (APR) will be fulfilled by either the annual performance and accountability report (PAR) or by the CBJ for agencies that choose to produce a separate annual financial report (AFR) and APR.

Sections 200–230 contain a comprehensive discussion of the requirements for these plans and reports. Agencies are asked not only to meet the basic requirements, but to describe the relationship between the results they expect to achieve and the resources they are requesting.

Section 2(b) of the Government Performance and Results Act of 1993 identified the following purposes of the Act:

- Improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results;
- Initiate program performance reform with a series of pilot projects in setting program goals, measuring program performance against those goals, and reporting publicly on their progress;
- Improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction;
- Help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality;
- Improve Congressional decision-making by providing more objective information on achieving statutory objectives, and on the relative effectiveness and efficiency of Federal programs and spending; and
- Improve internal management of the Federal Government.

200.3 Definitions.

Strategic Goal or Strategic Objective. A statement of aim or purpose included in a strategic plan (required under GPRA). In a performance budget/performance plan, strategic goals should be used to group multiple program outcome goals. Each program outcome goal should relate to and in the aggregate be sufficient to influence the strategic goals or objectives and their performance measures.

Program. A "program" shall be designated to include any organized set of activities directed toward a common purpose or goal that an agency undertakes. The term may describe an agency's mission, functions, activities, services, projects, and processes, and is defined as an organized set of activities directed toward a common purpose or goal that an entity undertakes or proposes to carry out its responsibilities. The Government Performance and Results Act of 1993 requires that the Annual Performance Report (31 U.S.C. § 1115) contain information on program evaluations that are relevant to the agency's efforts to achieve goals and objectives identified in its Strategic Plan or to performance measures and goals reported at the agency level. The evaluations identified should have been performed with sufficient scope, quality, and independence. The Performance Improvement Officer, established by Executive Order 13450 of November 13, 2007, will independently determine whether evaluations meet the criteria for scope, quality, and independence. Although agencies may cite rigorous evaluations commissioned independently by organizations such as the Government Accountability Office, Office of the Inspector General, or other groups, these evaluations should not completely supplant rigorous evaluations commissioned by the agencies themselves.

Performance Goal. A target level of performance over time expressed as a tangible, measurable objective, against which actual achievement can be compared. A performance goal is comprised of a performance measure with targets and timeframes.

Performance Measures. Indicators, statistics, or metrics used to gauge program performance.

Target. Quantifiable or otherwise measurable characteristic that tells how well or at what level a program aspires to perform.

Outcome Measures. Outcomes describe the intended result of carrying out a program or activity. They define an event or condition that is external to the program or activity and that is of direct importance to the intended beneficiaries and/or the public. For a tornado warning system, outcomes could be the number of lives saved and property damage averted. While performance measures must distinguish between outcomes and outputs, there must be a reasonable connection between them, with outputs supporting (i.e., leading to) outcomes in a logical fashion.

Output Measures. Outputs describe the level of activity that will be provided over a period of time, including a description of the characteristics (e.g., timeliness) established as standards for the activity. Outputs refer to the internal activities of a program (i.e., the products and services delivered). An output measure for example, could be the percentage of warnings that occur more than 20 minutes before a tornado forms.

Summary of Financial and Performance Information. A document that summarizes key performance and financial results from the prior year in a brief, user-friendly format that can be easily understood by a novice reader with little technical background in these areas.

Efficiency Measures. Effective programs not only accomplish their outcome performance goals, they strive to improve their efficiency by achieving or accomplishing more benefits for a given amount of resources. Efficiency measures reflect the economical and effective acquisition, utilization, and management of resources to achieve program outcomes or produce program outputs. They may also reflect ingenuity in the improved design, creation, and delivery of services to the public, customers, or beneficiaries by capturing the effect of intended changes made to outputs aimed to reduce costs and/or improve productivity, such as the improved targeting of beneficiaries, redesign of goods or services for simplified customer processing, manufacturability, or delivery.

Program Assessment. A determination, through objective measurement and systematic analysis, of the manner and extent to which Federal programs achieve intended objectives.

Performance Budget. A budget presentation that clearly links performance goals with costs for achieving a target level of performance. In general, a performance budget links strategic goals with related long-term and annual performance goals (outcomes) as well as with the costs of specific activities to influence these outcomes about which budget decisions are made.

200.4 What is the alternative to the performance and accountability report?

For FY 2009, agencies may choose either to produce a consolidated PAR or to produce a separate AFR and APR. Agencies that choose to prepare separate reports will combine the APR with the annual performance plan for inclusion in the Congressional Budget Justification, and include an acknowledgement that the agency is using an alternative to the PAR.

200.5 Applicability.

For the purposes of sections 220 and 230 of this Circular, "agency" means cabinet departments and other establishments of the Federal Government, including independent agencies and Government corporations. A Government corporation is a corporation owned or controlled by the Federal Government. The Legislative Branch and the Judiciary are not subject to GPRA requirements.

Except for statutory exemption, agencies are required to submit strategic plans, annual performance budgets, and annual performance and accountability reports to the President, Congress, and OMB in accordance with these instructions.

OMB may exempt independent agencies with $20 million or less in annual outlays from the requirements for a strategic plan, annual performance plan (performance budget), and annual program performance report. GPRA does not authorize any exemption of a component of a department or independent agency, such as a bureau or office that annually spends $20 million or less.

SECTION 210—PREPARING AND SUBMITTING AN AGENCY STRATEGIC PLAN

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Summary of Changes

Emphasizes the strategic plan's role for presenting the agency's most important performance goals over the planning horizon (section 210.1).

Emphasizes personnel accountability for performance goals (section 210.1).

Distinguishes between strategy and means, explains the importance of both, and includes planned actions to implement and execute strategy in the strategy and means discussions (section 210.2).

210.1 What is an agency strategic plan and what is its purpose?

An agency's strategic plan defines its missions, goals, and the means by which it will measure its progress in addressing specific national problems, needs, or challenges related to its mission over the course of at least five years. It appraises the agency's capabilities, assesses the operating environment, and provides for evaluation of the strategy. A strategic plan presents a commitment to perform by describing specific results the agency aims to achieve, what actions the agency will take to realize those planned results, and how the agency will deal with current and foreseeable internal and external challenges and risks that may hinder achieving those results.

The strategic plan shall cover a period of not less than five years forward from the fiscal year in which it is submitted, and is updated or revised at least every three years as required by the Government Performance and Results Act of 1993, as amended (5 U.S.C. 306). The first strategic plan issued by an agency during a new Administration represents a significant opportunity for the agency to revisit its general goals and objectives.

An agency formulates its strategic plan with inputs from the Office of Management and Budget (OMB), Congress, the public, and the agency's personnel, partners, and stakeholders and, when completed, makes the plan easily accessible to all. In addition to fulfilling GPRA requirements, the strategic plan serves a number of important management roles and functions related to achieving an agency's mission:

> **Leadership**. The strategic plan allows agency leadership to establish and communicate priorities and direction through a strategic and unified vision.
>
> **Planning**. The strategic plan is the foundation of an agency's planning system because it provides the strategic direction for programmatic and management functions, such as human resources, information management, acquisition management, and budget and finance, to help execute the strategies needed to reach the defined goals. Strategic plans also increase leadership accountability and enhance the ability of agency executives to plan. Executives can use the strategic plan to establish priorities and allocate resources across the agency's component organizations, better ensure consistent management practice, and provide guidance to these components or bureaus for planning their program implementation needs. The accountability for

results is shared among all agency personnel and partners through other agency planning documents.

Measurement/Assessment. The strategic plan features declarative statements also known as strategic goals, which state what the agency wants to accomplish in terms of outcomes or results. Each strategic goal is supported by performance goals – performance measures with time-specific targets. Agency strategic plans also provide a framework for annual performance plans and reports. In addition to these annual plans and reports, managers are encouraged to frequently compare actual results of performance measures against their time-specific targets and previous levels of performance to assess progress towards meeting strategic goals. This routine measurement and comparison of performance, in addition to more rigorous program evaluations, will help managers find ways to improve performance and identify promising strategies that will drive performance improvement.

Management. To achieve their strategic goals, agencies will promote a results-oriented culture by creating practices and incentives that enable its employees to efficiently complete projects, initiatives, and operations that implement and execute the agency's strategy. To succeed, agencies and inter-agency bodies must have an effective system of governance to efficiently carry out their missions.

Aligning organizational and individual results. Managers and employees are responsible for aligning resources and responsibilities to achieve results that clearly link to the goals outlined in the strategic plan. For example, the Senior Executive Service personnel system requires the Office of Personnel Management certify the agencies' performance appraisal systems, with OMB concurrence. Overall, employee performance drives organizational performance. Individual performance plans should have appraisal standards that sufficiently link to successful accomplishment of program performance goals included in the agency's annual performance plans and reports. Similarly, the performance goals appearing in performance plans and reports should clearly link to successful accomplishment of the agency's strategic goals.

Transparency. When developing a strategic plan, GPRA requires agencies to "consult with the Congress, and shall solicit and consider the views and suggestions of those entities potentially affected by or interested in such a plan." The plan should provide a variety of internal and external audiences with a sense of the mission, priorities, strategies, and accountability structure of the agency.

210.2 What are the components of an agency strategic plan?

The agency strategic plan presents the agency's approach to solving or addressing mission-related problems. There is no prescribed format for the agency strategic plan. However, the plan should present a structured format that contains the specific elements required by GPRA and helps advance the roles and functions outlined by including the following components:

Mission statement – A brief, easy-to-understand narrative, usually no more than two or three sentences long, that defines the basic purpose of the agency and is consistent with the agency's core programs and activities expressed within the broad context of the national problems, needs, or challenges the agency faces. This statement is important as the strategic goals should be developed to further the agency's mission. In addition to the mission statement, many agencies also include a vision statement to express how the agency intends to accomplish its mission in broad terms, especially when an agency has a diverse set of related missions, or numerous sets of strategic goals.

Strategic goals – GPRA requires "general goals and objectives, including outcome-related goals and objectives, for the major functions and operations of the agency to be included in the plan." Agencies use strategic goals and objectives to articulate clear statements of what the agency wants to achieve relevant to its national problems, needs, or challenges, and how it expects to achieve them.

Along with these statements, the strategic plan should broadly describe the operational processes, skills, and technology, and the human capital, information, and other resources required to meet these strategic goals. Other key planning documents such as the human capital and workforce plans, information resources management plans, acquisition plans, or other agency and relevant inter-agency management and performance plans should be linked as appropriate in the strategic plan.

Performance goals – GPRA requires the strategic plan to describe the relationship between the performance goals and the strategic goals. Performance goals determine priorities and set targets as well as allow agencies and the public to track progress on reaching its goals. A performance goal defines the targeted level of performance over time expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.

For each strategic goal included in the strategic plan, the agency should include in the plan a limited number of long-term, outcome-oriented performance goals. A long-term performance goal's target typically extends 3 to 5 years into the future, but is often monitored and measured at least annually and is reported in the agency's annual performance reports. Furthermore, performance results are often reviewed quarterly in the agency's review meetings so that problems can be identified and acted upon as needed to increase the probability of the agency achieving its desired outcome.

In addition, agencies can also identify key areas critical to the achievement of a strategic goal that are not measured quantitatively, and goals with targets relative to relevant benchmarks.

For example, within the Department of Education's strategic goal for higher education, the plan would likely include recent goals announced by the President of the US:

1. To lead the world in college degrees by 2020.
2. Graduate 5 million more Americans from community colleges by 2020.

These goals would likely be supported by annual goals in the agency's annual performance plan and report as well as operational and process measures that could be tracked more frequently.

External risk factors – GPRA requires "identification of those key factors external to the agency and beyond its control that could significantly affect the achievement of the strategic goals." External factors are those introduced by external forces or parties, and are not of the agency's own making. External factors may be economic, demographic, social, or environmental, and they may remain stable, change within predicted rates, or vary to an unexpected degree. A strategy's dependence on the actions of Congress, other Federal agencies, States, local governments, or other non-Federal entities are also external factors that need to be addressed by the agency strategy. The external factors can provide helpful context for the strategic goal, for example, the portion of total education spending coming from the Federal government.

Strategies and Means. In the discussion of each strategic goal, the agency should describe:

1. The strategies program managers will use to acquire, deploy, and manage resources to contribute to actions, outputs, or services that will lead to results. The discussion about resources should be informed by the agency's resource management plans that estimate resource requirements and address the opportunities and challenges in acquiring them and making them usable and effective. However, a strategic plan is not a budget request; the projected levels of goal achievement must be commensurate with anticipated resource

levels. Furthermore, the strategic plan should not bind the Administration to new budget or legislative commitments.

2. The roles and responsibilities of key agency program and administrative activities, and external agency partners that apply key resources toward the agency goals (e.g. other federal programs, grantees; state, local, tribal, and foreign governments; major long-term contractors, etc.).

3. The major initiatives the agency plans to take to implement and execute the strategy. The initiatives might include key activities that are essential for implementation and execution to achieve the long-term performance goals. The description should include the office, job title or position within the agency and agency partners responsible for accomplishing each step, and the timeframe in which the step would be completed. The strategic plan can provide this information along with more detailed description of projects and steps as links to documents available on the agency's web site. The agency should continually monitor and track strategy implementation and execution progress using measures that would appear in annual performance plans and reports.

Program evaluations – GPRA specifically requires a description of the program evaluations used in establishing or revising strategic goals with a schedule for future evaluations. The agency's schedule of future evaluations should go beyond simply listing evaluation topics for planned studies and instead should briefly describe the objectives of planned evaluations and why they are relevant to decision-making.

See section 200.2 for comprehensive definitions of the key planning elements.

210.3 Submission of strategic plans

(a) *Timing of strategic plan submissions.*

GPRA requires agencies to submit an updated and revised strategic plan to the Congress and OMB within three years of submitting its previous strategic plan.

Consistent with current policy and practice regarding interagency clearance of certain material being sent to the Congress, agencies should submit to OMB for review and clearance an advance copy of an updated strategic plan at least 45 days prior to the date for transmitting the plan to the Congress and making it available to the public.

(b) *Consultation and outreach.*

When preparing a strategic plan, agencies must consult with the Congress and OMB and solicit and consider the views of interested and potentially affected parties. Consultation could include hosting public meetings on the draft plan and posting the draft plan on the internet and inviting comment. This consultation and outreach may result in contrary views being expressed.

(c) *Transmitting plans to the Congress and OMB.*

The plan is transmitted to the Congress and OMB by the agency head. Transmittal letters are addressed to the Speaker of the House of Representatives, the President and the President pro tempore of the Senate, and the OMB Director. Distribution is also made to relevant committees of the Congress. The letter transmitting the agency's strategic plan to the Congress includes a summary of the consultation and outreach processes, and any contrary views that resulted.

The GPRA states that the preparation of a strategic plan is an inherently governmental function, and the plan is to be drafted only by Federal employees. However, when preparing a plan, agencies may be assisted by non-Federal parties, such as consultants or contractors who are hired specifically to provide technical input on the design and assembly of the plan, and who are not solicited for their input on policy or budget issues. The transmittal should include an acknowledgment and brief description of the contribution by a non-Federal entity in preparing the plan.

Strategic plans are a matter of public record, so the public should be afforded the opportunity to access the completed plan. Agencies should place the strategic plan on their website, or make it available through other electronic media. Generally, a strategic plan should become publicly available when the plan is transmitted to the Congress.

210.4 Interim adjustments to strategic plans

(a) *Scope of interim adjustments.*

An agency may make minor adjustments to a strategic plan in advance of the three-year revision cycle. Adjustments can include changes to the strategic goals, long-term performance goals, the means and strategies used to achieve the goals, the key external factors, or the program evaluation schedule. Modifications may reflect altered circumstances or evaluations of program performance. Interim adjustments are selective and do not produce widespread changes in a plan. An agency need not consult with the Congress or conduct outreach to potentially interested or affected parties when preparing interim adjustments.

Significant changes to an agency's strategic plan are made using a more extensive update process, even if this accelerates the three-year revision cycle. Consultation requirements apply in these instances. Interim adjustments, on the other hand, do not alter the three-year revision cycle for strategic plans.

(b) *Transmittal of interim adjustments.*

Interim adjustments do not require a formal transmittal. An agency may append an interim adjustment to its budget submission as a separate, easily found section, and present only the adjustments, not the entire strategic plan. The interim adjustments should be included both in the performance budget sent to OMB in September and in the performance budget (congressional justification) sent to the Congress in February. An agency should distribute, or otherwise make publicly available, the interim adjustments so readers can reference or review the most current strategic plan content.

SECTION 220—PREPARING AND SUBMITTING PERFORMANCE BUDGETS

(a) *In general.*

Agencies will prepare a performance budget, which fully integrates the annual performance plan (31 U.S.C. § 1115) required by the Government Performance and Results Act (GPRA) with other elements of the agency budget request, for submission to OMB in September and then to the Congress in February as part of the congressional budget justification (CBJ). *Agencies should consult with relevant congressional appropriations committees* to ensure their support for modifications to the format. Budget submissions to OMB and congressional budget justifications should highlight effectiveness and efficiency gains and how the agency has used or plans to use them.

Agencies will be required to submit the FY 2011 performance plan components of their budget materials in September. Integrating performance information in the budget process remains a priority. The performance goals in these plans should be consistent with those set through agency strategic and performance planning processes, and updated to reflect final congressional action on FY 2010 appropriations, if complete. Program goals may need to be updated to reflect new Administration policies, and will be published as part of the agency's FY 2011 CBJ.

(b) *What is in a performance budget?*

A performance budget is a presentation that clearly explains the relationship between performance goals and the costs for achieving targeted levels of performance. In general, a performance budget links strategic goals with related outcome-oriented long-term and annual performance goals and with the costs of specific activities that contribute to the achievement of those goals.

A performance budget starts with an overview of what the agency intends to accomplish in the budget year. For each strategic goal, the overview provides background on what has been accomplished, analyses of the strategies the agency uses to influence outcomes and how they could be improved, and analyses of the programs that contribute to that goal. The overview should include expected outcomes for each strategic goal, and performance targets for the supporting programs. It should also summarize how the agency expects to manage the "portfolio" of programs for each strategic goal together to maximize the larger strategic outcome.

The GPRA requirements for the annual performance plan (31 U.S.C. § 1115) should all be addressed in the performance budget, so a separate plan is not needed. (See section 200 for further definitions of performance terms.)

The remainder of the performance budget may be presented by bureau or other organization. Each entity's budget should start by analyzing its contributions to strategic goals, as defined within a segment of the agency's enterprise architecture (EA), followed by a detailed analysis of supporting programs, based on performance information whenever possible. The agency's budget request should be justified on the basis of resources needed to make planned progress toward the strategic goals.

The resources requested for each program should be the amount needed to achieve the program's target levels of performance. At a minimum, resources are aligned at the program level within this framework, and agencies are encouraged to align resources at the performance goal level. Resources should be fully costed with centrally funded administrative services and support costs allocated to each program.

The performance budget also includes other information needed to justify the agency budget request. Section 51 specifies the basic justification requirements for the performance budget sent to OMB. An agency's congressional committees may require additional information for the performance budget submitted to Congress.

(c) *What performance data should be included in the performance budget?*

The performance budget includes long-term and annual performance goals (performance measures with targets and time frames). Performance goals should be outcome-oriented and targets should be ambitious, that is, they must be set at a level that promotes significant achievements or continuous improvements.

The performance budget displays up to six years of data for every performance goal, including for the budget year, current year, past year, and three additional past years of data. Only three years of resource data are required. Agencies need not include historical performance data for newly established goals.

As noted in section 51, the means and strategies the agency intends to use to help achieve the performance goals should also be included.

The performance information (measures and actual data) included in the CBJ will need to be updated to reflect 1) the most recent performance information available (most likely FY 2009 actuals), 2) any necessary adjustments to FY 2010 performance targets to make them consistent with FY 2008 appropriations, 3) the budgetary resources and associated performance targets corresponding to the President's Budget, 4) efficiency measures, and 5) a rationale for why the performance targets are ambitious. When current performance data (i.e., FY 2008 or FY 2009) are not available, the date when the data will be available should be listed. All "actuals" fields are required to be filled in.

It is also helpful for the performance budget to include an addendum that lists and explains changes in performance measures as compared to the prior year's performance budget.

(d) *How do GPRA and the PART measures relate to the performance budget?*

To enhance the transparency and integration of performance management information while minimizing redundancies of separate performance management systems, agencies are expected to continue to integrate their GPRA performance measures, and PARTWeb measures as appropriate, in the annual performance plans within the CBJ, consistent with the Administration's priorities and quality standards. OMB is continuing to work with the Performance Improvement Council to develop a government-wide performance measurement system that facilitates this integration effort. Additional guidance will be issued based on steps taken over the coming months to implement a more useful and less burdensome unified performance measurement system.

Agency performance plans and reports vary in their level of detail and how they address the programs the agency operates. Performance measures included in GPRA plans and reports should be outcome oriented, relate to the overall purpose of the program, and have ambitious targets.

(e) *How does the performance budget relate to the strategic plan and the annual performance report?*

The performance budget is organized as a hierarchy goal structure like the agency's strategic plan. At the top of the pyramid are strategic goals, which are statements of aim or purpose that are set out in the agency strategic plan. Several agency programs may contribute to achievement of a strategic goal. If programs in different agency components contribute to the same strategic goal, the performance budget should describe how a portfolio of inter-agency programs will help attain the broadly stated aims of a strategic goal.

For each strategic goal, there are usually several underlying strategic objectives or outcome goals. For each of the underlying outcome goals, there typically are several output goals. The program performance measures and targets developed to track these underlying goals are included in the performance budget.

The Annual Performance Report (APR) presents information on how well the agency achieved the target levels for its goals in the past year. Some of this past year information is included in the performance budget with the data for program performance measures and targets. Most agencies will prepare an annual Performance and Accountability Report (PAR) that satisfies all of the past-year requirements for the APR. However, agencies may choose to produce a consolidated PAR, or to produce a separate Annual Financial Report and APR. Agencies that choose to produce separate reports will combine the APR with the annual performance plan for inclusion in the CBJ, and include an acknowledgement that the agency is using an alternative to the PAR. The strategic plan, performance budget and PAR together satisfy the GPRA requirements for a strategic plan, an annual performance plan and annual performance report.

(f) *Ensuring that the performance budget is publicly available.*

Release of the performance budget and agency justification and underlying materials concerning presidential decisions must by done in accordance with the requirements of section 22. After the performance budget is submitted to the Congress, it should be made available to the public on an agency's website.

To further enhance transparency of agency performance data, agencies are required to include a link on their main agency webpage to a single page with access to the following, but not limited to:

— Strategic Plan
— Annual Performance Plan and report (or PAR)
— Annual Financial Statements
— Status of Program Performance and Improvement Efforts
— GAO High-Risk Improvement Plans with status of implementation
— Inspector General Audits and Investigative Reports and a method for reporting evidences of waste, fraud, or abuse to the Inspector General

(g) *Ensuring the agency enterprise architecture addresses agency performance plans.*

Once an agency's performance plan is established, agencies should ensure the enterprise architecture (EA) planning documents are focused on how the agency will achieve its performance planning goals. This will require a direct coordination of the capital planning and EA planning efforts that together demonstrate the action steps the agency will take to meet the performance goals. See FSAM.GOV, and the FEA website (http://www.whitehouse.gov/omb/e-gov/fea/) for more information on addressing performance planning with EA.

The agency should submit an Enterprise Architecture Segment Report (EASR) to OMB for each segment of the agency's EA. The EASR should provide a decision analysis documenting the agency's needs, gaps, and alignment of transition steps and IT resources to agency performance priorities.

SECTION 230—PREPARING AND SUBMITTING THE ANNUAL PERFORMANCE REPORT

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Summary of Changes

Allows agencies to produce either a consolidated performance and accountability report (PAR) or a separate agency financial report and annual performance report (section 230.1).

Requires agencies to focus on trend data when preparing their annual performance report (section 230.2).

230.1 Preparing the annual performance report.

(a) *In general.*

The annual performance report required by GPRA provides information on the agency's actual performance and progress in achieving the goals in its strategic plan and performance budget. In this section, the term "Annual Performance Report (APR)" is used to refer to the document that complies with the requirements of the Government Performance and Results Act (GPRA), regardless of whether that information is incorporated into the Performance and Accountability Report (PAR) or the Congressional Budget Justification as discussed below.

(b) *Alternative to the performance and accountability report (PAR).*

Agencies prepare one annual performance report for a fiscal year. For most agencies, this report is the performance portion of the agency's PAR. During FY 2007 and FY 2008 OMB conducted a pilot in which agencies were permitted to produce an alternative to the consolidated PAR. The pilot had 3 required components: 1) an Agency Financial Report (AFR), 2) an APR with detailed performance information that meets GPRA requirements and is transmitted with the CBJ, and 3) a Citizens' Report that summarized the AFR and APR in a brief, user friendly format.

The goals of the pilot were to allow agencies to explore different formats to enhance the presentation of financial and performance information, make this information more meaningful and transparent to the public, and allow Congress, stakeholders, and the public to make informed decisions about agencies' performance. Results from the pilot identified some advantages to separating the APR from the AFR and to producing a Citizens' Report. For example:

- Including the APR along with the annual performance plan in the CBJ allowed agencies to discuss future programmatic resources directed at improving performance more fully; and

- Creating a Citizens' Report increased the focus on the public as a stakeholder in program outcomes, providing an easy to read summarization of agencies' performance and financial information.

Although the pilot was successful, agencies can continue to submit financial and performance information in the consolidated PAR.

For FY 2009, agencies may choose either to produce a consolidated PAR or to produce a separate AFR and APR. Agencies that choose to prepare separate reports will combine the APR with the annual performance plan for inclusion in the CBJ, and include an acknowledgement that the agency is using an alternative to the PAR. In addition to the AFR and APR, all agencies (CFO Act and non-CFO Act) shall prepare a summary of performance and financial information report (See section 230.4).

Agencies preparing a separate APR will be changing the format of their CBJ to reflect these planned changes in their Budget Submissions to OMB in September. OMB and agency staff should discuss the presentation and work out any concerns well in advance of the submission of their CBJ for clearance during FY 2011 budget season. Agencies must also consult with their Congressional stakeholders regarding the content and format of the Congressional Justification. In addition, these agencies should allow more time for OMB review of the CBJ as they include additional information.

(c) *Best practices*

The most useful performance reports clearly articulate how the work of the agency benefits the public (its outcomes), enables the public to understand progress or the lack thereof toward performance goals, and gives confidence that the agency is doing everything it can to improve and address shortfalls in performance. Best practices in performance reporting were observed in the following FY 2008 agency reports:

- U.S Department of Labor http://www.dol.gov/ sec/media/reports/annual2008/
- U.S. Department of Veterans Affairs http://www.va.gov/budget/report/2008/index.htm
- U.S. Department of Transportation http://www.dot.gov/par/2008/

(d) *Format*

There is no prescribed format for the APR. From their strategic plan, agencies are encouraged to include a summary of their mission statement, description of their organizational structure, and strategic goals and objectives. The presentation should be clear and concise throughout, and the language understood by a layperson, including context. Agencies should include direct web links to specific reference information that provides additional detail.

(e) *Combining the management and financial reports pursuant to the Reports Consolidation Act*

Together, the Chief Financial Officers Act and the Accountability of Tax Dollars Act require all agencies to prepare an audited financial statement. OMB Circular A–136, "Financial Reporting Requirements," permits agencies to combine the annual performance report with the financial statement and accountability report. Information on preparing the performance portion of the report is included below. See OMB Circular A-136 for further information on the accountability report component of the PAR.

The FY 2009 PAR is to be transmitted to the President, Congress, and OMB not later than November 16, 2009 after early consultation with OMB regarding format. Agencies should provide the draft PAR to OMB for review and clearance at least 10 days before the due date. Program performance information is not subject to new or additional audit requirements as a consequence of its being combined with the accountability report or the financial statement (see section 230.5).

The Reports Consolidation Act of 2000 gives the Executive Branch the discretion to consolidate certain statutorily-required reports into the PAR and to use other approaches to consolidation of performance and financial information. For FY 2009, several agencies will include their annual performance report in their CBJ along with their annual performance plan. Agencies are encouraged to pursue consolidating other reports pursuant to the Reports Consolidation Act when the opportunity exists to improve the quality of reported information and reduce reporting duplication.

230.2 What does the annual program performance report contain?

(a) *Required elements*

The APR must be informative, candid, and include the following elements:

- An assessment by the agency head of the reliability and completeness of the performance data included in the report (see details in section 230.5).

- A comparison of actual performance with the projected (target) levels of performance as set out by performance goals in the agency performance budget (or annual performance plan for fiscal years prior to FY 2009).

- For the year covered by the report, where a performance goal was not met, an explanation of why a performance goal was not met, and the plans and schedules for achieving the established performance goal.

- Identify those performance goals where actual performance information is missing, incomplete, preliminary, or estimated. For such goals, the APR should indicate the approximate date when the actual performance information, sufficient to make an accurate comparison with performance goal target levels, will be available.

- A table/chart showing historical performance trends for the strategic goals set forth in the agency's performance plan or performance budget for at least four fiscal years prior to the year covered by the report. Where performance trends are declining or have significant variation, the agency should provide analysis and discussion.

- A summary of the findings of those program evaluations completed during the fiscal year covered by the report. If no evaluations were completed, the performance report should note this.

- Government Accountability Office (GAO) High Risk List Items: A description of the agency's plans to address any issues designated by the GAO as High-Risk. With respect to any High-Risk issue affecting multiple agencies or designated as High-Risk on a government-wide basis by the GAO, the Director of OMB shall identify one or more agencies, which may include OMB, as responsible for purposes of developing the performance plans. All such plans will include: a) a description of the high-risk issue the plan is addressing; b) measurable goals that demonstrate whether the plan is successful; and c) specific milestones the agency will accomplish to achieve the goal described in (b), including the agency official responsible for the milestone and the date by which it will be achieved.

(b) *Comparing actual performance to performance goal target levels*

The annual performance report must state the actual performance for every performance goal in the agency's annual performance budget, or, as applicable, annual performance plan, even if the goal was discontinued after that fiscal year. Actual performance is reported as it occurred during the fiscal year covered by the report. For some programs, this performance may have resulted from spending prior year monies during the fiscal year.

The annual report matches actual performance to the corresponding performance criteria set the previous year. If an alternative form (i.e., a non-quantified measure) was used to define a performance goal, the description of actual performance must allow an accurate, independent determination to be made of whether such performance met the criteria specified, or how it otherwise compared to the goal as stated.

At the time the APR is sent to the President and the Congress, actual performance information may be missing, incomplete, or preliminary. The APR should identify those performance goals where the information is missing, incomplete, or preliminary, and indicate the approximate date when actual performance information, sufficient to make an accurate comparison with performance goal target levels, will be available. Once available, the actual performance information and the comparison between actual and targeted level of performance should be included in the performance budget and the subsequent APR. Agencies must also maintain current performance data on OMB's performance portal, as well as on their agency websites and include references to those sites in their annual performance reports.

(c) *Providing an explanation for significant variations between performance targets and actuals.*

If a performance goal was not achieved or exceeded the targeted level of performance, the annual report must explain the variance. There are two types of explanations: specific and generic.

A specific explanation is included if goal non-achievement or over-achievement is significant and material. A specific explanation should show an understanding of why a performance shortfall occurred, and the consequences. The specific explanation should also support actions the agency is taking to eliminate or reduce future shortfalls for this goal.

Agencies may apply the following criteria when determining if a specific explanation is required. A specific explanation should always be provided if:

- The manager(s) of the program, activity, or component experiencing a performance shortfall/gain alerts or informs senior agency officials about actual performance levels, and the implications of these levels on overall program accomplishment; or

- The manager(s) made or is taking substantive action to address a shortfall or learn more from a gain (e.g., evaluation impact) in performance; or

- Performance levels for future years are being adjusted downward/upward to reflect actual performance levels; or

- Outside parties will likely conclude that the non-achievement was significant and material or there are potential areas to replicate success.

A generic explanation is provided if the difference between the goal target level and actual performance is slight. An agency may use the following language for its generic explanation: "The performance goal was set at an approximate target level, and the deviation from that level is slight. There was no effect on overall program or activity performance."

If actual performance data shows that a goal was not achieved, but the explanation for why the goal was not achieved or a description of steps being taken to meet the unachieved goal in the future cannot be completed by the time of transmittal, then the data are included in the report and marked as preliminary. The following year's annual report will include the data and the deferred explanation and next steps.

(d) *Agency plans and schedules for improving program performance*

All programs should work to become more effective and efficient and the APR should describe the agency's efforts to improve its performance.

Where a program failed to meet or exceeded a performance target, the APR should provide a specific explanation, as well as describe the actions the agency is taking to achieve the goal in the future along with associated timelines. The description of future actions should be limited to those which can be achieved with existing resources. If future actions are dependent on funding or policy changes to be proposed in the President's Budget, they should be discussed in the performance budget, not in the PAR. Agencies that choose to prepare a separate AFR and APR are not subject to this limitation as their performance reports will be included in their CBJ.

An agency may conclude, based on actual performance, that a performance goal cannot be achieved in the future. For such goals, the APR should explain the basis for this conclusion and identify what course of action the agency will take. For instance, an agency may adjust its performance targets consistent with recent actual performance or delete a goal that is no longer appropriate or relevant.

Agencies that meet their performance goals are encouraged to explain what steps they took to increase effectiveness and effectiveness.

(e) *Evaluating performance goal levels in the performance budget relative to actual performance*

As agencies prepare an annual report, the performance information collected may be used to make further adjustments to the upcoming budget. Agencies may do so if actual performance information is available near the end of the fiscal year covered by the APR. These adjustments are made at the time a CBJ incorporating the performance budget is prepared. The performance budget and following year's APR should identify every change to performance goals that were made in the performance budget that primarily stemmed from this assessment of actual performance.

(f) *Trend data and fiscal year coverage*

The APR for FY 2009 and future years should include actual performance information for the fiscal year covered by the report, and prior fiscal years. Actual performance information for at least four prior fiscal years shall be included to facilitate analysis of trends over time and provide the most comprehensive picture of a program's performance history. Performance trend data should provide the Congress, the public and other stakeholders with sufficient information on how a program is progressing compared to its past achievements and shortfalls. Examples of best practices in performance trends presentations can be found in the FY 2008 Performance and Accountability Reports of the U.S. Department of Veterans Affairs http://www.va.gov/budget/report/2008/index.htm; the U.S. Department of Treasury http://treasury.gov/offices/management/dcfo/accountability-reports/2008-par.shtml; the U.S Department of Labor http://www.dol.gov/_sec/media/reports/annual2008/; and the U.S. Department of Transportation http://www.dot.gov/par/2008/pdf/DOT_PAR_2008_MDA.pdf.

Agencies may cease reporting actual performance information for prior years for any goal that is discontinued prior to the fiscal year covered by the report.

Comparisons between actual performance and performance goal target levels are not included for prior fiscal years, unless the comparison was deferred because the performance data in a prior year's annual report was unavailable or the analysis was incomplete.

(g) *Including performance information from the PAR in the performance budget*

The November 16 transmittal date for the PAR precedes the transmittal of the President's Budget. This may require the agency to omit certain information from the PAR, as it would be considered to be privileged and cannot be publicly released prior to transmittal of the President's Budget. Agencies that choose to prepare a separate AFR and APR will not be subject to this constraint.

(h) *Other elements and features of an annual performance report*

These elements and features may selectively apply to your agency. Omit any that do not apply from your annual performance report.

Program evaluations. The APR includes a summary of the findings and recommendations of the program evaluations completed during the fiscal year. Most relevant are rigorous evaluations that make positive or negative conclusions about the impact attributable to the program. If no evaluations were completed, the report should note this.

For the purposes of this requirement, a "program" shall be designated to include an agency's mission, functions, activities, services, projects, and processes and is defined as an organized set of activities directed toward a purpose or goal that an entity proposes to undertake to carry out its responsibilities. GPRA requires that the APR contain information on program evaluations that are relevant to the agency's efforts to achieve goals and objectives identified in its strategic plan or to performance measures and goals reported at the agency level. The evaluations identified should have been performed with sufficient scope, quality, and independence.

Information on use of non parties. GPRA states that preparation of an annual report is an inherently governmental function. The report should include an acknowledgment of the role and a brief description of any significant contribution made by a non-Federal entity in preparing the report.

Classified appendices not available to the public. Agencies that conduct classified activities may prepare a classified appendix for its annual performance budget and its APR. Agencies should not need to prepare a non-public appendix for certain law enforcement or revenue collection activities in their APR. Retrospective reporting of actual performance for these activities should not interfere with achieving current or future goals for the same activities. However, if an agency believes that reporting of actual performance will impede current or future goal achievement, a non-public appendix may be prepared. Agencies should consult with OMB to determine whether such an appendix is appropriate or necessary.

Budget information. The APR should include relevant budget information, consistent with the obligation amounts shown in the *Budget Appendix*, for the fiscal year covered by the report. The APR does not present comparisons between the amounts originally requested for a fiscal year and the amounts actually obligated.

230.3 Sending the annual performance report to the President and Congress.

Performance and Accountability Reports are sent to the President and Congress and the Director of OMB. The report must be transmitted by the head of the agency. An agency may add other signatories, such as the Chief Financial Officer, to the transmittal of a PAR, thus recognizing a shared responsibility within the agency for the performance reported and any future performance commitments.

Agencies preparing a separate APR will be changing the format of their Congressional Budget Justifications to reflect these planned changes in their Budget Submissions to OMB in September. OMB and agency staff should discuss the presentation and work out any concerns well in advance prior to the submission of the Congressional Budget Justification for clearance during FY 2011 budget season. Agencies must also consult with their Congressional stakeholders regarding the content and format of the Congressional Justification. In addition, these agencies should allow more time for OMB review of the Congressional Budget Justifications as they include additional information.

Transmittal letters to Congress are addressed to the Speaker of the House of Representatives and the President and President pro tempore of the Senate. Copies of the congressional transmittal are sent to the chair and ranking minority members of the budget committees, relevant authorization and oversight committees, appropriation subcommittees, and the chair and ranking minority member of the Senate

Committee on Homeland Security and Governmental Affairs and the House Government Reform Committee.

230.4 What does the summary of performance and financial information include?

Agencies shall select key information outlined in their PAR or AFR and APR and present a summary of performance and financial information. This summary should include the most important performance and financial information in a brief, user-friendly format that is easily understood by a reader with little technical background in these areas. The goal of this summary is to increase accountability of agency heads and program managers by making the financial and performance information more transparent and accessible to Congress, the public, and other key constituencies.

Although there is no prescribed format for this summary report, agencies may choose to present the information in:

- A 3-8 page high-level summary,
- A 25-30 page more detailed summary , or
- A Management Discussion & Analysis (MD&A) section that can easily be extracted from the PAR or AFR and issued as an independent report.

In addition, agencies are allowed flexibility as to the content of the summary report. Since the goal of the summary is to present the information in a manner that is easy for a novice reader to understand, it should include, at a minimum:

- Agency mission and strategic goals and objectives;
- Historical performance trend data for the entity's strategic goals and the selected key performance measures associated with those goals;
- A candid assessment of whether the agency, met or did not meet its goals;
- Summary of key management challenges, including shortcomings that the agency is addressing (e.g., IG and GAO reports, where appropriate);
- Summarized financial statement data. This information is based on the same underlying data as the financial statements presented in the PAR and AFR; and
- Specific references and internet links that will take the reader to the evidence which supports the information on the agency's program and financial performance (e.g., relevant sections of the agency's PAR, AFR, APR, and CBJ). The links will provide the reader the exact location of the information in a document and not a general link to the document itself.

Agencies are encouraged to employ the following list of best practices generated from the results of the FY 2008 and FY 2007 PAR Pilot:

- Include only a limited number of key, representative performance measures;
- Maximize the presentation of budget and cost information with performance measures;
- Include examples of specific achievements or results to illustrate performance;

- Optimize the use of Web links to APR, AFR, and CBJ;
- Maximize the use of space by:
  - o Using inside of front cover and back cover,
  - o Using sidebars with pictures, and
  - o Using graphs with appropriate scale, (i.e. they do not have to take up an entire page);
- Include an "Introduction" statement that makes clear the purpose of the report;
- Explain clearly the public benefit of the performance results;
- Present results of Management's Assurances;
- Summarize key financial data by:
  - o Displaying as much graphically as possible
  - o Using both amounts and percentages when presenting financial data, and
  - o Presenting historical data with percentage changes from year to year (in tabular format); and
- Separate narrative sections by using columns and the inclusion of tables, charts, or other graphics.

It is up to the agency's discretion whether or not to print hard copies of the summary report. Agencies should consider the intended audience, outreach, and distribution efforts for the document.

If an agency chooses to include a condensed audit report and/or financial statements, information presented will require discussions between the entity, OIG, and the external auditors. For additional information, consult the audit guidance located in OMB Bulletin 07-04 *Audit Requirements for Federal Financial Statements* (http://www.whitehouse.gov/omb/assets/omb/bulletins/fy2007/b07-04.pdf) or subsequent revisions**.**

Report Due Date: This summary must be available no later than February 15, 2010.

230.5 Assessing the completeness and reliability of performance data

GPRA requires each agency to prepare an annual performance plan covering each program activity set forth in the agency's budget and that the plan describes the means to be used to verify and validate measured values. In addition, the Reports Consolidation Act of 2000 specifies that the transmittal letter included in APRs contain an assessment by the agency head of the completeness and reliability of the performance data included in it.

Agencies should have in place or begin to develop verification and validation (V&V) techniques that will ensure the completeness and reliability of all performance measurement data contained in their annual performance plans and reports.

The guidance that follows provides agencies with a list of reasonable V&V criteria that when applied should increase the level of confidence Congress and the public have in the performance information presented in GPRA and other performance related documents. Some agencies already have V&V processes and procedures in place that they believe are rigorous and insightful. Other agencies' V&V processes are evolving and at different stages of maturity. All agencies shall apply this guidance consistent with their level of maturity in data V&V techniques. Agencies with existing V&V processes should use this guidance to continually improve their existing systems. Agencies whose V&V processes are evolving may choose to phase-in the new factors. Agencies should discuss their V&V techniques with their respective OMB Resource Management Office.

Data limitations. In order to assess the progress towards achievement of performance goals, the performance data must be accurate and reliable. Significant or known data limitations should be identified in the performance plan to include a description of the limitations, the impact it has on goal achievement, and the actions that will be employed to correct the limitations. Performance data need not be perfect to be reliable; however, significant data limitations can lead to inaccurate assessments and distort performance results. Agencies should not use data that contain known errors. The GAO defines significant or known data limitations as those identified by the GAO in its work or in available documents such as program evaluations, independent audits, inspector general investigations, and information systems analyses. Examples of data limitations include imprecise measurement and recordings, incomplete data, and inconsistencies in data collection procedures.

Verification and validation. Verification and validation of performance data support the general accuracy and reliability of performance information, reduce the risk of inaccurate performance data, and provide a sufficient level of confidence to the Congress and the public that the information presented is credible. The GAO defines verification as a process of checking or testing performance information to assess other types of errors, such as errors in keying data. The GAO defines validation as an effort to ensure that data are free of systematic error or bias and that what is intended to be measured is actually measured. The GAO information can be found in the GAO publication GAO/GCD-10.1.20 *The Results Act. An Evaluator's Guide to Assessing Agency Annual Performance Plans*.

Agency internal assessments. Consistent with their level of maturity, agencies are encouraged to consider the verification and validation factors outlined below.

1. Standards and procedures
    a. Source data are well defined, documented; definitions are available and used.
    b. Collection standards are documented/available/used.
    c. Data reporting schedules are documented/distributed/followed.
    d. Supporting documentation is maintained and readily available.
    e. Collection staffs are skilled/trained in proper procedures.

2. Data entry and transfer
    a. Data entry methodology is documented and followed.
    b. Data are verified.
    c. Procedures for making changes to previously entered data are documented and followed.
    d. Data are available when needed for GPRA reporting and other critical decision making cycles.
    e. Data entry staff are skilled and trained in proper procedures.

3. Data integrity
    a. Equipment and program reliability cannot compromise data accuracy.
    b. Accountability for data integrity clearly rests with the person entering the data, and the responsible program specialist and manager.

4. Data quality and limitations
    a. Accuracy limits of all data are defined.
    b. Any other data limitations are explained and documented.
    c. Method for handling anomalous data is established and used.
    d. 3rd party evaluations are conducted.
    e. Use of externally controlled data is documented.

5. Oversight and certifications
    a. Accountability for data accuracy exists in responsible employee performance standards.
    b. Responsible officials certify that procedures were followed each reporting period.
    c. Responsible officials certify that data accuracy has been checked each reporting period.

External Assessments. External assessments such as evaluations, peer reviews, and performance audits can mitigate the risk of bias in performance reporting. It is important to note GPRA does not require the use of audits for performance data contained in GPRA reports. However, agencies may use audits or any other procedure that would support the credibility of the performance information at their discretion. Agencies should consider the most cost-effective means for achieving the desired level of credibility of the verification and validation of performance data.

Scope. Because most agencies process a large amount of performance measurement data, it is unreasonable to think that agencies can verify and validate every single performance measure included in their performance management system. Agencies should apply good judgment when deciding which performance measures will be verified and validated. Agencies should consider priorities, spending, GAO high risk lists, IG reports and management challenges.

Frequency. Performance plans and reports are submitted to Congress annually. How often agencies should verify and validate the performance data to be included in these documents is at the discretion of the agency, however agencies are encouraged to verify and validate performance data every two years at a minimum.

Agency Head Responsibility. Agency heads are officially accountable for the accuracy and reliability of performance data. The agency head shall include in the transmittal letter of the agency's APR a brief statement on the completeness and reliability of the performance data, and on data limitations, if they exist.

Best practices. The information provided below are links to sample best practices and references to other source documentation used by various agencies to improve their performance measurement processes.
GAO/GCD-10.1.20 *The Results Act. An Evaluator's Guide to Assessing Agency Annual Performance Plans* located at http://www.gao.gov/special.pubs/gg10120.pdf
Department of Interior Data Validation and Verification Standards located at http://www.doi.gov/ppp/DOI%20Data%20V&V%20Standards%20Matrix.doc

CIRCULAR NO. A–11

PART 7

PLANNING, BUDGETING, ACQUISITION, AND MANAGEMENT OF CAPITAL ASSETS

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 300—PLANNING, BUDGETING, ACQUISITION, AND MANAGEMENT OF CAPITAL ASSETS

Table of Contents

Summary of Changes

Notifies agencies of OMB's intent to strengthen capital programming for non-IT acquisitions (section 300.1)

Reduces data requirements and targets them toward decision-making; drops references to the high risk list, management watch list, and management agenda; drops information requirements on architecture, IT security, and privacy protection (Exhibit 300).

300.1 What is the purpose of the section?

Part 7 (section 300) of the Circular establishes policy for planning, budgeting, acquisition and management of Federal capital assets, and instructs on budget justification and reporting requirements for major information technology (IT) investments and for major non IT capital assets. OMB provides procedural and analytic guidelines for implementing specific aspects of these policies as appendices and supplements to this Circular and in other OMB circulars.

For IT, section 300 is a companion section to section 53. Sections 300 and 53, together with the Agency's Enterprise Architecture are managed to create a Performance Improvement Lifecycle for the Agency. This lifecycle is broken into three-phases: "Architect", "Invest" and "Implement". Exhibits 300 and 53 are predominate management tools for managing the "Investment" phase of the Performance Life Cycle. By integrating the disciplines of architecture, investment management, and project implementation, the Performance Improvement Lifecycle provides the foundation for sound IT management practices, end-to-end governance of IT investments, and the alignment of IT investments with an agency's strategic goals. As architecture-driven IT investments are funded in the "Invest" phase, they move forward into the implementation phase where system development life cycle processes are followed and actual versus planned outputs, schedule and expenditures are tracked utilizing management processes, such as earned value management (EVM).

For non IT capital assets contact your Resource Management Offices (RMOs) at OMB to determine any additional budget justification and reporting requirements in addition to those outlined here.

OMB intends to strengthen capital programming for non-IT acquisitions and will work with agencies to evaluate appropriate strategies for applying performance-based management to different non-IT investments.

300.2 Does the section apply to me?

The policy and budget justification and reporting requirements in this section apply to all agencies of the Executive Branch of the Government subject to Executive Branch review (see section 25). An exhibit 300 must be submitted for all major investments in accordance with this section. Major IT investments also must be reported on your agency's exhibit 53 (see section 53) and be consistent with what is reported in section 51.3.

300.3 What background information must I know?

The Federal Government must effectively manage its portfolio of capital assets to ensure scarce public resources are wisely invested. Capital programming integrates the planning, acquisition and management of capital assets into the budget decision-making process and is intended to assist agencies in improving asset management and in complying with the results-oriented requirements of:

- The Energy Policy Act of 2005, Section 109, which requires that sustainable design principles are applied to the siting, design and construction of all new and replacement buildings and that new federal buildings be designed to achieve energy consumption levels that are at least 30 percent below the levels established in the 2004 International Energy Conservation Code for residential buildings or the ASHRAE Standard 90.1–2004 for non-residential buildings, if life-cycle cost-effective.

- The Federal Acquisition Streamlining Act of 1994, Title V (FASA V), which requires agencies to establish cost, schedule and measurable performance goals for all major acquisition programs, and achieve on average 90 percent of those goals.

- Additional background information for Information Technology can be found in section 53.2.

300.4 What special terms should I know?

Alternatives Analysis refers to an analysis of alternative approaches to addressing the performance objectives of an investment, performed prior to the initial decision to make an investment, and updated periodically as appropriate to capture changes in the context for an investment decision. Alternatives analysis details should be available upon request.

Capital assets means land, structures, equipment, intellectual property (e.g., software), and information technology (including IT service contracts) used by the Federal Government and having an estimated useful life of two years or more. See Appendix One of the *Capital Programming Guide* for a more complete definition of capital assets.

Capital programming means an integrated process within an agency for planning, budgeting, procurement and management of the agency's portfolio of capital assets to achieve agency strategic goals and objectives with the lowest life-cycle cost and least risk.

Capital project (investment) means the acquisition of a capital asset and the management of that asset through its life-cycle after the initial acquisition. Capital projects (investments) may consist of several useful segments.

Contracting officer certification means the highest current level of certification in contracting obtained by the contracting officer (CO) assigned to the acquisition. For defense agencies, indicate the CO's highest level of Defense Acquisition Workforce Improvement Act (DAWIA) certification in contracting. For civilian agencies, indicate the CO's highest level of Federal Acquisition Certification in Contracting (FAC-C), in accordance with OMB memorandum, "The Federal Acquisition Certification in Contracting Program," dated January 20, 2006. Available levels are 1, 2, or 3. To address the transition period, if the CO has not obtained a FAC-C, the agency must determine that the CO assigned to the effort has the competencies and skills necessary to support the acquisition.

Cost saving represents the reduction in actual expenditures below the projected level of costs to achieve a specific objective (as defined in OMB Circular A–131). Cost savings may be cited in descriptions.

Cost avoidance represents results from an action taken in the immediate time frame that will decrease costs in the future (as defined in OMB Circular A–131). Cost avoidance may be cited in descriptions.

Disposition Costs in the Funding Summary for an IT investment refers to the costs of retiring legacy systems included in the project plan for an investment for a replacement system or systems.

Earned value management (EVM) is a project (investment) management tool effectively integrating the investment scope of work with schedule and cost elements for optimum investment planning and control. The qualities and operating characteristics of earned value management systems (EVMS) are described in American National Standards Institute (ANSI)/Electronic Industries Alliance (EIA) Standard –748–1998, *Earned Value Management Systems*, approved May 19, 1998. It was reaffirmed on August 28, 2002. Additional information on EVMS is available at www.acq.osd.mil/pm.

Energy Savings Performance Contract (ESPC) means a contract (such as a task ordered by DOE and awarded to an energy service company) that provides for the performance of services for the design, acquisition, financing, installation, testing, operation, and maintenance and repair, of an identified energy, water conservation, or renewable energy measure or series of measures at one or more locations. Such contracts shall provide that the contractor must incur costs of implementing energy savings measures, including at least the cost (if any) incurred in making energy audits, acquiring and installing equipment, and training personnel in exchange for a predetermined share of the value of the energy savings directly resulting from implementation of such measures during the term of the contract. Payment to the contractor is contingent upon realizing a guaranteed stream of future energy and cost savings, with any savings in excess of that guaranteed by the contractor accruing to the Federal government

Enhanced Use Leasing (EUL)—Departments with specific statutory authority can require rent in the form of a reduction in the cost or free use of facilities or services for programs, monetary payments, or other in-kind consideration which enhances mission activity. The authority allows an agency to out-lease property and receive payment in cash or in kind (goods or services that result in direct cost savings to the government) from the lessee in exchange for the out-lease.

Enterprise Architecture (EA) is the explicit description and documentation of the current and desired relationships among business and management processes and information technology of an organization. It describes the "current architecture" and "target architecture" to include the rules and standards and systems life cycle information to optimize and maintain the environment which the agency wishes to create and maintain by managing its IT portfolio. The EA must also provide a strategy to enable the agency to support its current state and also act as the roadmap for transition to its target environment. The EA will define principles and goals and set direction on such issues as the promotion of interoperability, open systems, public access, end user satisfaction, and IT security. The agency must support the EA with a complete inventory of agency information resources, including personnel, equipment, and funds devoted to information resources management and information technology, at an appropriate level of detail.

Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) was established to ensure general training and experience requirements for program and project managers are clearly identified for civilian agencies. The FAC-P/PM focuses on essential competencies needed for program and project managers; the program does not include functional or technical competencies, such as those for information technology or agency-specific competencies. Defense agencies have a similar certification program under the Defense Acquisition Workforce Improvement Act (DAWIA). Agencies were required to be compliant with FAC-P/PM starting in FY 2008. Available levels are Entry/Apprentice, Mid/Journeyman and Expert/Advanced for FAC-P/PM and 1, 2 and 3 for DAWIA. (http://www.whitehouse.gov/omb/assets/omb/procurement/workforce/fed_acq_cert_042507.pdf) (www.whitehouse.gov/omb/procurement/acq_wk/fac_contracting_program.pdf)

Federal Enterprise Architecture (FEA) is a business-based framework for government-wide improvement. It describes the relationship between business functions and the technologies and information supporting them. The FEA is constructed through a collection of interrelated "Segment Architectures" and "reference models" designed to facilitate cross-agency analysis and the identification of duplicative investments, gaps, and opportunities for collaboration within and across federal agencies. For the next President's Budget, major IT investments should be aligned with each reference model within the FEA framework, except for the Data Reference Model. More information about the FEA reference models is available from the Office of E-Government & Information Technology.

Federal Segment Architecture Methodology (FSAM) is a scalable and repeatable step-by-step process for developing and using segment architectures developed by distilling proven best practices from across Federal agencies. Use of the FSAM should result in more complete and consistent segment architecture products by helping architects engage segment leaders to deliver value-added plans for improved mission delivery. Specifically, FSAM includes guidance to help architects establish clear relationships among strategic goals, detailed business / information management requirements, and measurable performance improvements within the segment.

Full funding means appropriations are enacted sufficient in total to complete a useful segment (see definition below) of a capital project (investment) before any obligations may be incurred for the segment. Incrementally funding capital projects (investments) or useful segments without certainty if or when future funding will be available can result in poor planning, inadequate justification of assets acquisition, higher acquisition costs, project (investment) delays, cancellation of major projects (investments), the loss of sunk costs, and inadequate funding to maintain and operate the assets. Budget requests for full acquisition of capital assets must propose full funding (see section 31.5).

Interagency acquisition means the use of the Federal Supply Schedules, a multi-agency contract (i.e., a task order or delivery order contract established by one agency for use by government agencies to obtain supplies and services, consistent with the Economy Act, 31 U.S.C. 1535), or a government-wide acquisition contract (i.e., a task-order or delivery-order contract for information technology established by one agency for government-wide use operated by an executive agent designated by OMB pursuant to section 11302(3) of the Clinger Cohen Act of 1996).

Life-cycle costs (see Supplement to Part 7—Capital Programming Guide).

Major investment means a system or acquisition requiring special management attention because of its importance to the mission or function of the agency, a component of the agency, or another organization; is for financial management and obligates more than $500,000 annually; has significant program or policy implications; has high executive visibility; has high development, operating, or maintenance costs; is funded through other than direct appropriations; or is defined as major by the agency's capital planning and investment control process. OMB may work with the agency to declare other investments as major investments. You should consult with your OMB representative about what investments to consider as "major;" consult your agency budget officer or OMB representative. Systems not considered "major" are "non-major."

Mixed life-cycle investment means an investment having both development/modernization/enhancement (DME) and steady state components. For example, a mixed life-cycle investment could include a prototype or module of a system that is operational with the remainder of the system in DME stages, or a service contract for steady state on the current system with a DME requirement for system upgrade or replacement.

Multi-Agency Collaboration investments means a set of systems or acquisitions requiring the efforts of more than one agency (multiple sub-agency efforts should not be identified as "Multi-Agency"). All E-Gov initiatives and Line of Business (LoB) initiatives are by definition Multi-Agency efforts. Due to the multi-agency impact, Multi-Agency Collaboration investments such as E-Gov and LoB initiatives are also by definition Major Investments.

Operational (steady state) means an asset or a part of an asset with a delivered component performing the mission.

Partner Agency funding contributions (contributions) represent both the direct contribution (Cash contribution) in terms of agency funding contributions in support of the initiative and "In-Kind" contributions, i.e., the dollar equivalent of services contributed by the partner agency in support of the initiative (non-cash contribution), including Partner agency support in equipment, facilities, software, license fees, and dollar equivalent of FTEs. Migration costs should not be included, as these activities are more appropriately coordinated with the managing partner and covered by a migration investment.

Partner Agency "fee-for-service" contributions represents the direct reimbursements (Cash reimbursements) in terms of a "fee-for-service" relationship for a transactional service received by the initiative or reimbursements for capital assets under the oversight of the initiative.

Performance-based acquisition management means a documented, systematic process for program management, which includes integration of program scope, schedule and cost objectives, establishment of a baseline plan for accomplishment of program objectives, and use of earned value techniques for performance measurement during execution of the program. EVMS is required for those parts of the investment where developmental effort is required. This includes prototypes and tests to select the most cost effective alternative during the Planning Phase, the work during the Acquisition Phase, and any developmental, modification, or upgrade work done during the Operational/Steady State Phase. EVMS is to be applied to both Government and contractor efforts, regardless of contract type. For operational/steady state systems, an operational analysis as discussed in Phase IV of the Capital Programming Guide is required. A performance-based acquisition (as defined in the Federal Acquisition Regulation 37.101) or contract/agreement with a defined quality assurance plan that includes performance standards/measures should be the basis for monitoring contractor or in-house performance of this phase. Information on this requirement can be found in OMB Memorandum 05–23, *Improving Information Technology (IT) Project Planning and Execution*.

Planning means preparing, developing or acquiring the information you will use to: design the investment; assess the benefits, risks, and risk-adjusted life-cycle costs of alternative solutions; and establish realistic cost, schedule, and performance goals, for the selected alternative, before either proceeding to full acquisition of the capital project (investment) or useful segment or terminating the investment. Planning must progress to the point where you are ready to commit to achieving specific goals for the completion of the acquisition before preceding to the acquisition phase. Information gathering activities may include market research of available solutions, architectural drawings, geological studies, engineering and design studies, and prototypes. Planning is a useful segment of a capital project (investment). Depending on the nature of the investment, one or more planning segments may be necessary.

During the planning phase, when contemplating a performance-based acquisition, agency program offices should evaluate their service requirement and determine:

- Whether a performance-related baseline problem exists (cost, quality, timeliness, impact to agency mission);

- The level of risk associated with the service not being optimally provided (importance to mission of the service being provided optimally);

- The level of confidence the agency has in its own "performance work statement or statement of objectives document" to solve the baseline problem;

- The amount of risk the agency wants to assume for managing the service impact on its own versus shifting to a vendor; and

- The readiness of the program to measure the impact of the service on its program performance goals/mission, as well as the readiness of Program staff to participate in the PBA process.

Risk adjusted life-cycle costs means the overall estimated cost for a particular investment alternative over the time period corresponding to the life of the investment, including direct and indirect initial costs plus any periodic or continuing costs of operation and maintenance that has been adjusted to accommodate any risk identified in the risk management plans. If project funding is to be requested for specific phases, segments or modules of the project, each of these parts will be risk adjusted for their individual life-cycle. Details of risk management plans and the risk-adjusted life cycle cost analysis should be available upon request.

Segment Architecture is a detailed results-oriented architecture (baseline and target) and a transition strategy for a portion or segment of the enterprise. Segments are individual elements of the enterprise describing core mission areas and common or shared business services and enterprise services, and provide the core linkage of the IT Investment Portfolio to the Agency's Performance Management System.

Total Value of Contract/Task Order means the current total value of the Contract or Task Order to acquire and operate the capital asset. For contracts/task orders shared by multiple capital assets, please provide only the current total value associated with the identified capital asset.

Useful segment/module means an economically and programmatically separate component of a capital investment that provides a measurable performance outcome for which the benefits exceed the costs, even if no further funding is appropriated.

Utility Energy Service Contract (UESC) is a contract between a Federal agency and a local utility providing energy, water, or sewage services, as well as provision of technical services and/or upfront project financing for energy efficiency, water conservation, and renewable energy investments, allowing Federal agencies to pay for the services over time, either on their utility bill, or through a separate agreement.

Additional budget terms and definitions are included in the Glossary in Appendix J, "Principles of Budgeting for Capital Asset Acquisitions" and in section 53 (for IT).

300.5 How will agencies manage capital assets?

The *Capital Programming Guide,* which supplements Part 7 of OMB Circular A–11, provides guidance on the principles and techniques for effective capital programming. Appendix J of this part explains the principles of financing capital asset acquisitions. Section 8b of OMB Circular A–130 establishes additional requirements for enterprise architectures (EAs), planning and control of information systems and technology investments and performance management. Agencies must develop, implement, and use a capital programming process to develop their capital asset portfolio, and must:

- Evaluate and select capital asset investments that will support core mission functions performed by the Federal Government as planned for in Segments of the Agency's Enterprise Architecture, and demonstrate projected returns on investment that are clearly equal to or better than alternative uses of available public resources;

- Initiate improvements to existing assets or acquisitions of new assets only when no alternative private sector or governmental source can more efficiently meet the need;

- Simplify or otherwise redesign work processes to reduce costs, improve effectiveness, and make maximum use of commercial services and off-the-shelf technology;

- Reduce project risk by avoiding or isolating custom designed components, using components that can be fully tested or prototyped prior to full implementation or production, and ensuring involvement and support of users in the design and testing of the asset;

- Structure major acquisitions into useful segments with a narrow scope and brief duration, make adequate use of competition and appropriately allocate risk between Government and contractor. The Agency Head must approve or define the cost, schedule, and performance goals for major acquisitions, and the agency's Chief Financial Officer must evaluate the proposed cost goals;

- Ensure a continuous linkage with Federal, agency, and bureau EAs, demonstrating such consistency through alignment with Agency Segment, compliance with agency business requirements and standards, as well as identification of milestones, as defined in the EA transition strategy;

- Institute performance measures and management processes monitoring and comparing actual performance to planned results. Agencies must use a performance-based acquisition management or earned value management system, based on the ANSI/EIA Standard 748, to obtain timely information regarding the progress of capital investments. The system must also measure progress towards milestones in an independently verifiable basis, in terms of cost, capability of the investment to meet specified requirements, timeliness, and quality. Agencies are expected to achieve, on average, 90 percent of the cost, schedule and performance goals for major acquisitions. Agency Heads must review major acquisitions not achieving 90 percent of the goals to determine whether there is a continuing need and what corrective action, including termination, should be taken;

- Ensure IT systems conform to the requirements of OMB Circular No. A–130, "Management of Federal Information Resources;"

- Ensure financial management systems conform to the requirements of OMB Circular No. A–127;

- Conduct post-implementation or post-occupancy reviews of capital programming and acquisition processes and projects to validate estimated benefits and costs and document effective management practices, i.e., lessons learned, for broader use; and

- Establish oversight mechanisms requiring periodic review of operational capital assets to determine how mission requirements might have changed, and whether the asset continues to fulfill ongoing and anticipated mission requirements, deliver intended benefits to the agency and customers, and meet user requirements.

300.6 What other requirements does exhibit 300 fulfill?

The exhibit 300 is designed to coordinate OMB's collection of agency information for its reports to the Congress required by the Federal Acquisition Streamlining Act of 1994 (FASA Title V) and the Clinger-Cohen Act of 1996, to ensure the business case for investments are made and tied to the mission statements, long-term goals and objectives, and annual performance plans developed pursuant to the GPRA. For IT, exhibit 300s are designed to be used as one-stop documents for many of IT management issues such as business cases for investments, Clinger Cohen Act implementation, E-Gov Act implementation, Government Paperwork Elimination Act implementation, agency's modernization efforts, and overall project (investment) management.

300.7 What must I report on exhibit 300 and when?

It is important to understand, all information necessary to complete an exhibit 300 already exists as part of the agency's overall Information Resources Management activities and within project specific documentation. The materials used to populate the exhibit 300 should be readily available to OMB upon request.

The exhibit 300 must be submitted along with any other agency budget submissions (see section 25.5) to OMB by September 18, 2009. The exhibit 300 should be fully integrated with your agency's overall budget submission. All reporting on IT must be submitted via OMB's IT Budget Submissions System (https://max.omb.gov/itweb/itweb). Agencies can either manually enter their exhibit 300 data into this system or upload files in XML format. All exhibit 300s and exhibit 53 (see section 53) must be electronically submitted from the OMB IT Budget Submissions System. Additional information regarding the submission process will be posted on http://www.whitehouse.gov/omb/e-gov.

Following budget season, agencies should update their agency's exhibit 300s submitted during budget submission to reflect final Presidential decisions. In addition, this update should ensure that only publicly-releasable information is contained in the updated exhibit 300. While it is important to maintain this publicly-releasable exhibit 300, agencies should continuously maintain updated information about the projects contained in the exhibit 300. OMB may request this information at any time.

Agencies are required to post on their agency website, within 2 weeks of the release of the President's Budget, these updated exhibits reflecting final Presidential decisions (see section 22.6). If you have any questions about what should be included in the version posted to your website, please contact your agency budget and FOIA offices. You may also contact your OMB representative. As a reminder, these products should be included in your Information Dissemination Product Inventories, Priorities, and Schedules. (More information about this can be found in OMB M–05–04, Policies for Federal Agency Public Websites).

If agencies request supplemental funds, which include changes to the agency's portfolio, as part of their supplemental request, agencies should submit new or revised exhibit 300s and exhibit 53 (see section 53).

The information you must report will depend on the kind of investment the exhibit 300 is representing (see Part I Section A, Question #6).

New Investments

If you are reporting a new investment (i.e., proposed for BY or later) you must complete Parts I and II. Investments in initial concept or planning phase will have less detail and specificity than investments moving into the acquisition or operational phase. However, these investments should identify in life-cycle documentation the dates these issues will be addressed as the investment matures. Where prototypes are acquired as part of the planning process, the prototypes must be reported as full acquisitions. All of the areas on the exhibit 300 must be part of an agency's planning, and the exhibit 300 should be updated as soon as the information is known.

Ongoing Investments

If reporting an ongoing investment other than IT, only update sections as appropriate. If any of the cost, schedule, or performance variances are not within 10 percent of the current baseline, provide a complete analysis of the reasons for the variances, the corrective actions to be taken, and the most likely estimate at completion (EAC). Use the EVM system to identify the specific work packages where problems are occurring. Discuss why the problems occurred and corrective actions necessary to return the program as close as feasible to the current baseline goals.

Multi-Agency Collaboration Investments

The managing partner (lead agency) will take the lead for completing the multi-agency exhibit 300, managing it through the lead agency's capital programming and budget process and submitting the exhibit 300 to OMB. The managing partner is also responsible for ensuring this exhibit 300 includes all necessary information from the partner agencies and has been approved by all necessary partner agencies through the appropriate governance process. The multi-agency exhibit 300 should include partner agency funding, related capital assets (e.g. migration investments, Centers of Excellence, Shared Service Centers, Supporting components), and milestones in Part IV of the exhibit 300. The managing partner Executive/Investment Committee should review and approve the multi-agency exhibit 300.

Partner agencies should report their participation in their exhibit 53 submissions as appropriate (see section 53). Partner agencies should reference the name of the multi-agency exhibit 300 in the "Investment Description" field of each exhibit 53 line item related to the multi-agency exhibit 300. Partner agencies should also ensure their activities and participation are included in the appropriate sections of the multi-agency exhibit 300. The managing partner will include only the managing partner specific funds in their exhibit 53 submission(s), while the entire Summary of Spending Total for the investment, including funds provided by partner agency, should be included in the exhibit 300.

OMB may require additional information from partner agencies related to the multi-agency exhibit 300. When necessary, OMB will work with the managing partners to coordinate data requests.

Multi-Agency Collaboration supporting components capital assets

Partner agency's supporting capital assets (e.g., Service Providers, Centers of Excellence, Shared Service Centers, Supporting components) should be submitted as regular agency capital assets using exhibit 300s. Agencies proposing capital assets to support multi-agency initiatives should share their proposals with the managing partner for review. Proposals recommended as part of the Managing Partner's solution should be included in the Managing Partner's exhibit 300 (Part IV–Section A, Question #2). An agency with a recommended capital asset proposal should submit an exhibit 300 using the appropriate kind of exhibit 300 (as defined in Part I–Section A, Question #6). Partner agencies with or proposing supporting capital assets for multi-agency collaboration (i.e. Shared Service Centers, Sales Center, Shared Service Providers, etc.) should use Part IV of the exhibit 300. Further guidance will be issued on determining which multi-agency investments should report on capital asset spending utilizing the exhibit 300. Agencies should consult with OMB on questions, but presume that projects reported in the past as multi-agency major investments should continue to be treated in the same way, submitting an exhibit 300, unless activities have ceased. Agencies should also consult with OMB as to whether exhibit 300s should be submitted for the FY 2011 Budget where there is no actual investment in a federal IT capital asset included in activities previously treated as major investments.

For Cost and Schedule Performance baseline changes

All proposed changes to baselines should be submitted to OMB prior to your FY 2011 budget request; proposed changes should not be assumed approved. If your agency has any questions, please contact your OMB representative. Only current approved baselines should be reflected in the exhibit 300.

300.8 How will OMB use the exhibit 300s?

The exhibit 300 is one component of your agency's total performance budget justification (see section 51.2). OMB uses the exhibit 300 to make both quantitative decisions about budgetary resources consistent with the Administration's program priorities, and qualitative assessments about whether the agency's programming processes are consistent with OMB policy and guidance. OMB will be evaluating all elements of the business cases and will communicate the results of these evaluations in the course of the budget process. If additional supporting information is necessary, OMB will request from agencies the supporting evidence used to produce the exhibit 300. All information necessary to complete an exhibit 300 should already exist as part of the agency's overall Information Resources Management activities and within project specific documentation. The materials used to produce the exhibit 300 should be readily available to OMB upon request.

Exhibit 300: Capital Asset Plan and Business Case Summary
Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview (All Capital Assets)

1. Date of Submission:

2. Agency:

3. Bureau:

4. Name of this Investment:

5. Unique Project (Investment) Identifier:
(For IT investment only, see section 53.9.
For all other, use agency ID system.)

6. What kind of investment will this be in FY 2011?
(Please NOTE: Investments moving to O&M in FY 2011, with Planning/Acquisition activities prior to FY 2010 should not select O&M. These investments should indicate their current status.)

Planning	___
Full Acquisition	___
Operations and Maintenance	___
Mixed Life Cycle	___
Multi-Agency Collaboration	___

7. What was the first budget year this investment was submitted to OMB? ______________________

8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap; this description may include links to relevant information which should include relevant GAO reports, and links to relevant findings of independent audits. ______________________

a. Provide here the date of any approved rebaselining within the past year, the date for the most recent (or planned) alternatives analysis for this investment, and whether this investment has a risk management plan and risk register. ______________________

9. Did the Agency's Executive/Investment Committee approve this request? Yes ___ No ___

a. If "yes," what was the date of this approval? ______________________

10. Contact information of Program/Project Manager?

Name	______________________
Phone Number	______________________
E-mail	______________________

11. What project management qualifications does the Project Manager have? (per FAC-P/PM)?

(1) Project manager has been validated according to FAC-PMPM or DAWIA criteria as qualified for this investment. ____________

(2) Project manager qualifications according to FAC-P/PM or DAWIA criteria is under review for this investment. ____________

(3) Project manager assigned to investment, but does not meet requirements according to FAC-P/OM or DAWIA criteria. ____________

(4) Project manager assigned but qualification status review has not yet started. ____________

(5) No project manager has yet been assigned to this investment. ____________

12. If this investment is a financial management system, then please fill out the following as reported in the most recent financial systems inventory (FMSI):

i. Financial management system name(s) ____________

ii. System acronym ____________

iii. Unique Project Identifier (UPI) number ____________

a) If this investment is a financial management system AND the investment is part of the core financial system then select the primary FFMIA compliance area that this investment addresses (choose only one):

- computer system security requirement; ____________
- internal control system requirement; ____________
- core financial system requirement according to FSIO standards; ____________
- Federal accounting standard; ____________
- U.S. Government Standard General Ledger at the Transaction Level; ____________
- this is a core financial system, but does not address a FFMIA compliance area; ____________
- Not a core financial system; does not need to comply with FFMIA ____________

Section B: Summary of Funding (Budget Authority for Capital Assets)

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions and are rounded to three decimal places. Federal personnel costs should be included only in the row designated "Government FTE Cost," and should be excluded from the amounts shown for "Planning," "Full Acquisition," and "Operation/Maintenance." The "TOTAL" estimated annual cost of the investment is the sum of costs for "Planning," "Full Acquisition," and "Operation/Maintenance." For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. Funding for all costs associated with the entire life-cycle of the investment should be included in this report. Funding levels should be shown for budget authority by year consistent with funding levels in Exhibit 53. The Summary of Funding table shall include the amounts allocated to the investment from, and should be directly tied to, the Fiscal Year Budget. This includes direct appropriations (discretionary or mandatory accounts), user fees, and approved self-funding activities and will provide the actual annual "budget" for the investment. This "budget" will be a subset of the congressionally approved budget for each fiscal year. This will provide Departments/Agencies and OMB useful information on the actual Fiscal Year dollars being asked for and spent on an investment.

Table 1: SUMMARY OF FUNDING FOR PROJECT PHASES
(REPORTED IN MILLIONS)
(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY–1 and earlier	**PY 2009**	**CY 2010**	**BY 2011**	**BY+1 2012**	**BY+2 2013**	**BY+3 2014**	**BY+4 and beyond**	**Total**
Planning:									
Acquisition:									
Subtotal Planning & Acquisition:									
Operations & Maintenance:									
Disposition Costs (optional):									
SUBTOTAL:									
Government FTE Costs should not be included in the amounts provided above.									
Government FTE Costs									
Number of FTE represented by Costs:									
TOTAL (including FTE costs)									

Note: For the multi-agency investments, this table should include all funding (both managing partner and partner agencies). Government FTE Costs should not be included as part of the TOTAL represented.

Note 2: The two sub-total rows and total row will be calculated – not for data entry.

2. If the summary of funding has changed from the FY 2010 President's Budget request, briefly explain those changes: ____________________

Section C: Acquisition/Contract Strategy (All Capital Assets)

1. Complete the table for all (including all non-Federal) contracts and/or task orders currently in place or planned for this investment. Total Value should include all option years for each contract. Contracts and/or task orders completed do not need to be included.

Table 1: Contracts/Task Orders Table

Contract or Task Order Number	Type of Contract/Task Order (In accordance with FAR Part 16)	Has the contract been awarded (Y/N)	If so what is the date of the award? If not, what is the planned award date?	Start date of Contract/Task Order	End date of Contract/Task Order	Total Value of Contract/ Task Order ($M)	Is this an Interagency Acquisition? (Y/N)	Is it performance based? (Y/N)	Competitively awarded? (Y/N)	What, if any, alternative financing option is being used? (ESPC, UESC, EUL, N/A)	Is EVM in the contract? (Y/N)

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why: ____________________

3. Is there an acquisition plan which reflects the requirements of FAR Subpart 7.1 and has been approved in accordance with agency requirements? Yes ___ No ___

a. If "yes," what is the date? ____________________

NOTE: Data structure to be used to identify contract numbers in FPDS.

To assist in the linkage of Contract/Task Order Numbers from the Acquisition Strategy table to FPDS, agencies should provide the following information for "Contract/Task Order Numbers" based on the FPDS-NG data requirements (as specified in the FPDS-NG Data Element Dictionary- http://www.fpdsng.com/downloads/FPDS-Data-Dictionary-Version1.3.pdf):

Part of Indefinite Delivery Vehicle (IDV)?	**Procurement Instrument Identifier**	**Example**
Yes	Data Element 1A (NTE 50 characters)	"00063200203DNBCHC020042"
No	Data Element 1A, and the Referenced PIID, Data Element 1C (NTE 100 characters)	"GS09Q08DN0165•IDV•GS10F0216N"

Section D: Performance Information (All Capital Assets)

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan and the relevant Agency Segment Architecture. The investment must discuss its performance measures in support of the agency's mission and strategic goals as outlined in the corresponding Segment Architecture. Performance measures (indicators) must be provided. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as "significant," "better, " "improved, " that do not have a quantitative measure.

Agencies must use the following table to report performance goals and measures for the major investment and use the Federal Enterprise Architecture (FEA) Performance Reference Model (PRM). Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for each of the four different Measurement Areas (for each fiscal year). The PRM is available at http://www.whitehouse.gov/omb/e-gov/. The table can be extended to include performance measures for years beyond the next President's Budget.

Table 1: Performance Information Table

Fiscal Year	Strategic Goal(s) Supported	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Target	Actual Results
2009		Mission & Business Results					
2009		Customer Results					
2009		Processes & Activities					
2009		Technology					
2010		Mission & Business Results					
2010		Customer Results					
2010		Processes & Activities					
2010		Technology					
2011		Mission & Business Results					
2011		Customer Results					
2011		Processes & Activities					
2011		Technology					
Etc.		Etc.					

Section E: Security (IT Capital Assets)

For IT investments, agencies should maintain up-to-date tracking of which systems in the FISMA inventory support any IT investment. Linking major IT investments to FISMA systems will be addressed outside the context of the A–11 budget submission of the Exhibit 300.

Section F: Enterprise Architecture (EA) (IT Capital Assets only)

In order to successfully address this area of the capital asset plan and business case, the investment must be included in the agency's EA and Capital Planning and Investment Control (CPIC) process and mapped to and supporting the FEA. The business case must demonstrate the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

Have the requisite investment-level architecture documentation requirements (e.g., reference model mappings, FTF mappings, etc.) for this investment been documented in the corresponding Segment Architecture? For detailed guidance regarding segment architecture requirements, please refer to http://www.whitehouse.gov/omb/e-gov/. See this guidance also regarding the reporting of six digit codes corresponding to agency segment architectures in Exhibit 53, and, for limited cases determined by the Chief Architect, reporting an investment alignment with multiple segments.

Part II: Planning, Acquisition And Performance Information

Part II should be completed only for investments identified as "Planning" or "Full Acquisition," or "Mixed Life-Cycle" investments in response to Question 6 in Part I, Section A above.

Section A: Cost and Schedule Performance (All Capital Assets)

Agencies should be measuring the performance of operational assets against the baseline established during the planning or full acquisition phase (i.e., operational analysis), or, where approved, the current baseline, and be properly operating and maintaining the asset to maximize its useful life. Operational analysis may identify the need to redesign or modify an asset by identifying previously undetected faults in design, construction, or installation/integration, highlighting whether actual operation and maintenance costs vary significantly from budgeted costs, or documenting that the asset is failing to meet program requirements.

EVM is required only on Planning or Acquisitions portions of investments. For mixed lifecycle investments, O&M milestones should still be included in the cost and schedule performance table. This table should accurately reflect the milestones in the initial baseline or approved current baseline.

For investments including Planning or Acquisitions spending, complete the following table on milestones used to measure cost and schedule performance, representing only one level of the investment's Work Breakdown Structure. This should generally show Level 3 of the Work Breakdown Structure. For activities related to Operations and Maintenance included in Mixed Life Cycle investments, provide milestones used to track cost and schedule performance in the same format used for development activities milestones in this same table.

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline:

Complete the following table to compare actual performance against the current performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004"), baseline and actual start dates, and the baseline and actual total costs (in $ Millions). Note that the 'Description of Milestone' and 'Percent Completed'—both Planned and Actual—fields are required.

Description of Milestones	Total Cost		Baseline (mm/dd/yyyy)				Percentages Complete	
	Planned Cost ($M)	Actual Cost ($M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete

Part III: For "Operation and Maintenance" investments ONLY (Steady State)

Part III should be completed only for investments identified as "Operation and Maintenance" (Steady State) in response to Question 6 in Part I, Section A above.

Section A: Cost and Schedule Performance

For investments classified as Operations and Maintenance investments, complete the following table on milestones used to measure cost and schedule performance, representing only one level of the investment's Work Breakdown Structure. This should generally show Level 3 of the Work Breakdown Structure.

1. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline:

Complete the following table to compare actual performance against the current performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004"), baseline and actual start dates, and the baseline and actual total costs (in $ Millions). Note that the 'Description of Milestone' and 'Percent Completed'—both Planned and Actual—fields are required.

Description of Milestones	Total Cost		Baseline (mm/dd/yyyy)				Percentages Complete	
	Planned Cost ($M)	Actual Cost ($M)	Planned Start Date	Actual Start Date	Planned Completion Date	Actual Completion Date	Planned Percent Complete	Actual Percent Complete

Part IV: Planning For "Multi-Agency Collaboration" ONLY

Part IV should be completed only for investments identified as an E-Gov initiative, a Line of Business (LOB) Initiative, or a Multi-Agency Collaboration effort. The "Multi-Agency Collaboration" choice should be select in response to Question 6 in Part I, Section A above. Investments identified as "Multi-Agency Collaboration" will complete only Parts I and IV of the exhibit 300.

Section A: Multi-Agency Collaboration Oversight (All Capital Assets)

Multi-agency Collaborations, such as E-Gov and LOB initiatives, should develop a joint exhibit 300.

1. Stakeholder Table:

As a joint exhibit 300, please identify all the agency stakeholders (all participating agencies, this should not be limited to agencies with financial commitment). All agency stakeholders should be listed regardless of approval. If the partner agency has approved this joint exhibit 300 please provide the date of approval.

Partner Agency	Joint exhibit approval date

2. Partner Capital Assets within this Investment:

Provide the partnering strategies you are implementing with the participating agencies and organizations. Identify all partner agency capital assets (including shared service providers) supporting the common solution (section 300.7); Managing Partner capital assets should also be included in this joint exhibit 300. These capital assets should be included in the Summary of Spending table of Part I, Section B. All partner agency migration investments should also be included in this table. Funding contributions/fee-for-service transfers should not be included in this table. (Partner Agency UPIs should also appear on the Partner Agency's exhibit 53.)

Partner Agency	Partner Agency Asset Title	Partner Agency Exhibit 53 UPI (BY 2011)

3. Partner Funding Strategies ($millions):

For jointly funded initiative activities, provide in the "Partner Funding Strategies Table": the name(s) of partner agencies; the UPI of the partner agency investments; and the partner agency contributions for CY and BY. Please indicate partner contribution amounts (in-kind contributions should also be included in this amount) and fee-for-service amounts. (Partner Agency Asset UPIs should also appear on the Partner Agency's exhibit 53. All fee-for-service reimbursements for Shared Service Providers should be included in this table. For non-IT fee-for-service amounts the Partner exhibit 53 UPI can be left blank) (IT migration investments should not be included in this table)

Partner Agency	Partner exhibit 53 UPI (BY 2011)	CY Contribution	CY Fee-for-Service	BY Contribution	BY Fee-for-Service

An Alternatives Analysis for multi-agency collaborations should also be performed. This should be available upon request. Use OMB Circular A–94 for all investments and the Clinger Cohen Act of 1996 for IT investments to determine the criteria you should use in your Benefit/Cost Analysis.

1. Did you conduct an alternatives analysis for this investment? Yes ___ No ___
   a. If "yes," provide the date the analysis was completed? ______________
b. If "no," what is the anticipated date this analysis will be completed? ______________
   c. If no analysis is planned, please briefly explain why: ______________

2. Does this investment replace any legacy systems investments? Disposition costs (costs of retirement of legacy systems) may be included as a category in Part I, Section B, Summary of Funding, or in separate investments, classified as major or non-major. For legacy system investments being replaced by this investment, include the following data on these legacy investments.

4. Legacy Systems Being Replaced		
Name of the Legacy Investment of Systems	**UPI if available**	**Date of the System Retirement**

3. For Multi-Agency Investments, Cost and Schedule Milestone table should be completed in the same format as Part II Section A and Part III Section A, above.

5. Comparison of Actual Work Completed and Actual Costs to Current Approved Baseline:

Complete the following table to compare actual performance against the current performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004"), baseline and actual start dates, and the baseline and actual total costs (in $ Millions). Note that the 'Description of Milestone' and 'Percent Completed'—both Planned and Actual—fields are required.

Description of Milestones	**Total Cost**		**Baseline (mm/dd/yyyy)**				**Percentages Complete**	
	Planned Cost ($M)	**Actual Cost ($M)**	**Planned Start Date**	**Actual Start Date**	**Planned Completion Date**	**Actual Completion Date**	**Planned Percent Complete**	**Actual Percent Complete**

CIRCULAR NO. A–11

PART 8

APPENDICES

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

APPENDIX A—SCOREKEEPING GUIDELINES

These budget scorekeeping guidelines are used by the House and Senate Budget Committees, the Congressional Budget Office, and the Office of Management and Budget (the "scorekeepers") in measuring compliance with the Congressional Budget Act of 1974 (CBA), as amended, and GRH, as amended. The purpose of the guidelines is to ensure that the scorekeepers measure the effects of legislation on the deficit consistent with established scorekeeping conventions and with the specific requirements in those Acts regarding discretionary spending, direct spending, and receipts. These rules are reviewed annually by the scorekeepers and revised as necessary to adhere to the purpose. They cannot be changed unless all of the scorekeepers agree. New accounts or activities are classified only after consultation among the scorekeepers. Accounts and activities cannot be reclassified unless all of the scorekeepers agree. Even though the Budget Enforcement Act expired at the end of 2002, the scorekeepers continue to apply these scorekeeping principles.

1. Classification of appropriations

A list of appropriations that are normally enacted in appropriations acts is included in the conference report of the Balanced Budget Act of 1997, House Report 105–217, pp. 1014–1053. The list identifies appropriated entitlements and other mandatory spending in appropriations acts, and it identifies discretionary appropriations by category.

2. Outlays prior

Outlays from prior-year appropriations will be classified consistent with the discretionary/mandatory classification of the account from which the outlays occur.

3. Direct spending programs

Entitlements and other mandatory programs (including offsetting receipts) will be scored at current law levels, as defined in section 257 of GRH, unless congressional action modifies the authorizing legislation. Substantive changes to or restrictions on entitlement law or other mandatory spending law in appropriations laws will be scored against the Appropriations Committee's section 302(b) allocations in the House and the Senate. For the purpose of CBA scoring, direct spending savings that are included in both an appropriations bill and a reconciliation bill will be scored to the reconciliation bill and not to the appropriations bill. For scoring under sections 251 or 252 of GRH, such provisions will be scored to the first bill enacted.

4. Transfer of budget authority from a mandatory account to a discretionary account

The transfer of budget authority to a discretionary account will be scored as an increase in discretionary budget authority and outlays in the gaining account. The losing account will not show an offsetting reduction if the account is an entitlement or mandatory program.

5. Permissive transfer authority

Permissive transfers will be assumed to occur (in full or in part) unless sufficient evidence exists to the contrary. Outlays from such transfers will be estimated based on the best information available, primarily historical experience and, where applicable, indications of Executive or congressional intent.

This guideline will apply both to specific transfers (transfers where the gaining and losing accounts and the amounts subject to transfer can be ascertained) and general transfer authority.

6. Reappropriations

Reappropriations of expiring balances of budget authority will be scored as new budget authority in the fiscal year in which the balances become newly available.

7. Advance appropriations

Advance appropriations of budget authority will be scored as new budget authority in the fiscal year in which the funds become newly available for obligation, not when the appropriations are enacted.

8. Rescissions and transfers of unobligated balances

Rescissions of unobligated balances will be scored as reductions in current budget authority and outlays in the year the money is rescinded.

Transfers of unobligated balances will be scored as reductions in current budget authority and outlays in the account from which the funds are being transferred, and as increases in budget authority and outlays in the account to which these funds are being transferred.

In certain instances, these transactions will result in a net negative budget authority amount in the source accounts. For purposes of section 257 of GRH, such amounts of budget authority will be projected at zero. Outlay estimates for both the transferring and receiving accounts will be based on the spending patterns appropriate to the respective accounts.

9. Delay of obligations

Appropriations acts specify a date when funds will become available for obligation. It is this date that determines the year for which new budget authority is scored. In the absence of such a date, the act is assumed to be effective upon enactment.

If a new appropriation provides that a portion of the budget authority shall not be available for obligation until a future fiscal year, that portion shall be treated as an advance appropriation of budget authority. If a law defers existing budget authority (or unobligated balances) from a year in which it was available for obligation to a year in which it was not available for obligation, that law shall be scored as a rescission in the current year and a reappropriation in the year in which obligational authority is extended.

10. Contingent legislation

If the authority to obligate is contingent upon the enactment of a subsequent appropriation, new budget authority and outlays will be scored with the subsequent appropriation. If a discretionary appropriation is contingent on the enactment of a subsequent authorization, new budget authority and outlays will be scored with the appropriation. If a discretionary appropriation is contingent on the fulfillment of some action by the Executive branch or some other event normally estimated, new budget authority will be scored with the appropriation, and outlays will be estimated based on the best information about when (or if) the contingency will be met. If direct spending legislation is contingent on the fulfillment of some action by the Executive branch or some other event normally estimated, new budget authority and outlays will be scored based on the best information about when (or if) the contingency will be met. Non-lawmaking contingencies within the control of the Congress are not scoreable events.

11. Scoring purchases

When a law provides the authority for an agency to enter into a contract for the purchase, lease-purchase, capital lease, or operating lease of an asset, budget authority and outlays will be scored as follows:

For lease-purchases and capital leases, budget authority will be scored against the legislation in the year in which the budget authority is first made available in the amount of the estimated net present value of the Government's total estimated legal obligations over the life of the contract, except for imputed interest costs calculated at Treasury rates for marketable debt instruments of similar maturity to the lease period and identifiable annual operating expenses that would be paid by the Government as owner (such as utilities, maintenance, and insurance). Property taxes will not be considered to be an operating cost. Imputed interest costs will be classified as mandatory and will not be scored against the legislation or for current level but will count for other purposes.

For operating leases, budget authority will be scored against the legislation in the year in which the budget authority is first made available in the amount necessary to cover the Government's legal obligations. The amount scored will include the estimated total payments expected to arise under the full term of a lease contract or, if the contract will include a cancellation clause, an amount sufficient to cover the lease payments for the first fiscal year during which the contract is in effect, plus an amount sufficient to cover the costs associated with cancellation of the contract. For funds that are self-insuring under existing authority, only budget authority to cover the annual lease payment is required to be scored.

Outlays for a lease-purchase in which the Federal government assumes substantial risk (for example, through an explicit Government guarantee of third party financing) will be spread across the period during which the contractor constructs, manufactures, or purchases the asset. Outlays for an operating lease, a capital lease, or a lease-purchase in which the private sector retains substantial risk will be spread across the lease period. In all cases, the total amount of outlays scored over time against legislation will equal the amount of budget authority scored against that legislation.

No special rules apply to scoring purchases of assets (whether the asset is existing or is to be manufactured or constructed). Budget authority is scored in the year in which the authority to purchase is first made available in the amount of the Government's estimated legal obligations. Outlays scored will equal the estimated disbursements by the Government based on the particular purchase arrangement, and over time will equal the amount of budget authority scored against that legislation.

Existing contracts will not be rescored.

To distinguish lease purchases and capital leases from operating leases, the following criteria will be used for defining an operating lease:

- Ownership of the asset remains with the lessor during the term of the lease and is not transferred to the Government at or shortly after the end of the lease period.
- The lease does not contain a bargain-price purchase option.
- The lease term does not exceed 75 percent of the estimated economic lifetime of the asset.
- The present value of the minimum lease payments over the life of the lease does not exceed 90 percent of the fair market value of the asset at the inception of the lease.
- The asset is a general purpose asset rather than being for a special purpose of the Government and is not built to unique specification for the Government as lessee.
- There is a private-sector market for the asset.

Risks of ownership of the asset should remain with the lessor.

Risk is defined in terms of how governmental in nature the project is. If a project is less governmental in nature, the private-sector risk is considered to be higher. To evaluate the level of private-sector risk associated with a lease-purchase, legislation and lease-purchase contracts will be considered against the following type of illustrative criteria, which indicate ways in which the project is less governmental:

- There should be no provision of Government financing and no explicit Government guarantee of third party financing.
- Risks of ownership of the asset should remain with the lessor unless the Government was at fault for such losses.
- The asset should be a general purpose asset rather than for a special purpose of the Government and should not be built to unique specification for the Government as lessee.
- There should be a private-sector market for the asset.
- The project should not be constructed on Government land.

Language that attempts to waive the Anti-Deficiency Act, or to limit the amount or timing of obligations recorded, does not change the Government's obligations or obligational authority, and so will not affect the scoring of budget authority or outlays.

Unless language that authorizes a project clearly states that no obligations are allowed unless budget authority is provided specifically for that project in an appropriations bill in advance of the obligation, the legislation will be interpreted as providing obligation authority, in an amount to be estimated by the scorekeepers.

12. Write-offs of uncashed checks, unredeemed food stamps, and similar instruments

Exceptional write-offs of uncashed checks, unredeemed food stamps, and similar instruments (i.e., write-offs of cumulative balances that have built up over several years or have been on the books for several years) shall be scored as an adjustment to the means of financing the deficit rather than as an offset. An estimate of write-offs or similar adjustments that are part of a continuing routine process shall be netted against outlays in the year in which the write-off will occur. Such write-offs shall be recorded in the account in which the outlay was originally recorded.

13. Reclassification after an agreement

Except to the extent assumed in a budget agreement, a law that has the effect of altering the classification or scoring of spending and revenues (e.g., from discretionary to mandatory, special fund to revolving fund, on-budget to off-budget, revenue to offsetting receipt), will not be scored as reclassified for the purpose of enforcing a budget agreement.

14. Scoring of receipt increases or direct spending reductions for additional administrative program management expenses

No increase in receipts or decrease in direct spending will be scored as a result of provisions of a law that provides direct spending for administrative or program management activities.

15. Asset sales

If the net financial cost to the Government of an asset sale is zero or negative (a savings), the amount scored shall be the estimated change in receipts and mandatory outlays in each fiscal year on a cash basis. If the cost to the Government is positive (a loss), the proceeds from the sale shall not be scored for purposes of the CBA or GRH.

The net financial cost to the Federal government of an asset sale shall be the net present value of the cash flows from:

(1) Estimated proceeds from the asset sale;

(2) The net effect on Federal revenues, if any, based on special tax treatments specified in the legislation;

(3) The loss of future offsetting receipts that would otherwise be collected under continued Government ownership (using baseline levels for the projection period and estimated levels thereafter); and

(4) Changes in future spending, both discretionary and mandatory, from levels that would otherwise occur under continued Government ownership (using baseline levels for the projection period and at levels estimated to be necessary to operate and maintain the asset thereafter).

The discount rate used to estimate the net present value shall be the average interest rate on marketable Treasury securities of similar maturity to the expected remaining useful life of the asset for which the estimate is being made, plus 2 percentage points to reflect the economic effects of continued ownership by the Government.

16. Indefinite borrowing authority and limits on outstanding debt

If legislation imposes or changes a limit on outstanding debt for an account financed by indefinite budget authority in the form of borrowing authority, the legislation will be scored as changing budget authority only if and to the extent the imposition of a limit or the change in the existing limit alters the estimated amount of obligations that will be incurred.

APPENDIX B—BUDGETARY TREATMENT OF LEASE-PURCHASES AND LEASES OF CAPITAL ASSETS

This Appendix provides instructions on the budgetary treatment of lease-purchases and leases of capital assets consistent with the scorekeeping rule developed by the executive and legislative branches in connection with the Budget Enforcement Act of 1990 (BEA), as revised pursuant to the Balanced Budget Act of 1997 (see Appendix A). The scorekeeping rule focuses on leases and lease-purchases specifically authorized by law. However, these requirements apply to all lease-purchase arrangements and capital leases, including those arrangements that agencies may enter into under existing general legal authorities and arrangements that are financed through the Federal Financing Bank. The only exception is that leases between Federal agencies generally will not be treated this way if the lessor recorded the full cost of the asset when it was acquired.

Agencies are required to submit to their OMB representatives the following types of leasing and other non-routine financing proposals for review of the scoring impact:

- Any proposed lease of a capital asset where total Government payments over the full term of the lease would exceed $50 million. It should be assumed that options to renew will be exercised.

- All financing proposals that are non-routine in nature and involve unique or unusual concepts or characteristics such as those listed below:

  - Outlease-leaseback mechanisms;

  - Establishment of public-private partnerships or limited liability corporations;

  - Issuance of debt by a third party that includes an explicit "full faith and credit" guarantee of debt repayment by the Government or an implicit guarantee of repayment from Federal funds that removes a substantial amount of the investor's risk.

  - Special purpose assets for which there is no real private sector market;

  - Enhanced-use leases with leasebacks with annual payments above the following threshold levels:

    - 2009—$2,660,000
    - 2010—$2,790,000
    - 2011—$2,790,000

  - Projects constructed or located on Government land;

  - Service contracts that require the contractor to acquire or construct assets valued over $50 million;

  - Share in savings proposals that result in the acquisition of real property;

  - Proposals that raise issues about the governmental/non-governmental status of the asset or the entity that holds the title to the asset;

  - Any financing proposal for which a statute requires OMB approval of the scoring (or of the proposal) or compliance with Circular No. A–11. Where compliance with Circular No. A–11 or other specified scoring rules is required by statute, the agency submission must be accompanied by a memorandum from the agency General Counsel explaining how the statutory criteria are satisfied;

- Arrangements that convey special tax status to the project by virtue of the Government's participation;

- Leasing arrangements that involve options that can be conveyed to a third party in exchange for future considerations.

Agencies should submit these proposals to OMB during the conceptual, developmental stage. Subsequent changes that could substantially change the scope of the proposal or affect the scoring impact (e.g., change from an operating lease to a lease-purchase) must be resubmitted to OMB.

1. Basic requirements

(a) *General.*

When an agency is authorized to enter into a *lease-purchase* or *capital lease* contract, budget authority will be scored in the year in which the authority is first made available in the amount of the net present value of the Government's total estimated legal obligations over the life of the contract, as described in section 2 (b) below. Outlays for lease-purchases in which the Federal Government assumes substantial risk will be spread across the period during which the contractor constructs, manufactures, or purchases the asset. Outlays for a capital lease or a lease-purchase in which the private sector retains substantial risk will be spread across the lease term. The scorekeeping requirements are summarized below.

For *operating leases*, budget authority is required for the first year of the contract in the amount necessary to cover the Government's legal obligations, consistent with the requirements of the Antideficiency Act. This will include the estimated total payments expected to arise under the full term of the contract or, if the contract includes a cancellation clause, an amount sufficient to cover the lease payments for the first year plus an amount sufficient to cover the costs associated with cancellation of the contract. (For each subsequent year, sufficient budget authority is required to cover the annual lease payment plus any additional cancellation costs.) In a limited number of instances, where funds are self-insuring under existing authority, only the amount of budget authority needed to cover the annual lease payment is required to be scored. OMB will advise agencies if funds may be considered self-insuring for this purpose.

(b) *Making annual lease payments after the BA expires.*

Unless otherwise specified by law, budget authority is available for liquidating obligations (i.e., outlays) for only five fiscal years after the authority expires. For leases financed by annual or multi-year budget authority, agencies should ensure that the appropriations language allows the budget authority to remain available for lease payments over the full term of the lease. If this period is expected to be longer than five fiscal years after the authority expires, the appropriations language should include the provision described in section 95.8.

(c) *Changes to existing contracts.*

When an agency modifies or amends an existing capital lease or lease-purchase contract, any remaining budgetary resources prior to modification should be used to offset the cost of the new contract. The amount scored will be the difference in the net present value of the Government's total estimated legal obligations between the new contract and the remaining term of the original contract. (Both net present values should be calculated using the Treasury borrowing rates published in the annual update to Appendix C of OMB Circular No. A–94 at the time the contract is amended (see section 4)). There would be no remaining budgetary resources if funds equal to the lease payments or the present value of the lease payments were not scored up front at the time the lease was signed. In this case, the full cost of the new contract should be scored, consistent with the rules for scoring lease-purchases and capital leases. Similarly, when an agency modifies or amends an existing operating lease contract, the impact of the changes needs to be evaluated. If the lease no longer meets the criteria for an operating lease, the modified lease should be rescored.

(d) *Options to renew or purchase.*

When the lease agreement contains an option to renew that can be exercised without additional legislation, it will be presumed that the option will be exercised for purposes of calculating the term of the lease and scoring budget authority. When the lease agreement contains an option to purchase at less than fair market value (at the time the option is to be exercised), and the option can be exercised without additional legislation, it will be presumed that the option will be exercised for purposes of classifying the type of lease and scoring budget authority.

SUMMARY OF BUDGET REQUIREMENTS

Transaction	Budget Authority	Outlays
Lease-purchase without substantial private risk	Amount equal to asset cost recorded up front; amount equal to imputed interest costs recorded on an annual basis over lease period.	Amount equal to asset cost scored over the construction period in proportion to the distribution of the contractor's costs; amount equal to imputed interest costs recorded on an annual basis over lease term.
Lease-purchase with substantial private risk	Amount equal to asset cost recorded up front; amount equal to imputed interest costs recorded on an annual basis over lease term.	Scored over lease term in an amount equal to the annual lease payments.
Capital lease	Amount equal to asset cost recorded up front; amount equal to imputed interest costs recorded on an annual basis over lease term.	Scored over lease term in an amount equal to the annual lease payments.
Operating lease	Amount equal to total payments under the full term of the lease or amount sufficient to cover first year lease payments plus cancellation costs recorded up front	Scored over lease term in an amount equal to the annual lease payments.

2. Budget presentation

(a) *General.*

For the purposes of scorekeeping transactions that involve lease-purchases and capital leases, the costs are separated into the following components:

- Asset cost (which equals the present value of the lease payments).

- Imputed interest cost (which equals the financing cost Treasury would have incurred if it had financed the project by borrowing).

These concepts are defined more fully in section 3. The amounts can be determined from the amortization tables developed in accordance with the instructions in section 4. Budget authority and outlays attributable to asset costs will be classified as investment-type activities (physical assets), and budget authority and outlays attributable to imputed interest costs will be classified as non-investment activities (see section 84.4).

(b) *Budget authority.*

- *Amounts.* The up-front budget authority required for both lease-purchases and capital leases is called the asset cost. This equals the present value of the minimum lease payments excluding payments for identifiable annual operating expenses that would be paid by the Government as owner, such as utilities, maintenance, and insurance. Property taxes will not be considered to be an operating expense and will be included in the calculation of the up-front budget authority. (See section 3 for the treatment of property taxes for purposes of distinguishing operating leases from capital leases.) The present value of the lease payments is discounted as of the date of the first payment (or the beginning of the lease term, whichever is earlier) using the appropriate interest rate (see section 4 for a more detailed explanation and the treatment of multiple deliveries).

  Additional budget authority equal to Treasury's cost of financing (i.e., the imputed interest cost) plus any annual operating expenses will be recorded on an annual basis over the lease term.

- *Type of authority.* When an agency enters into a capital lease or lease-purchase under general authorities available to the agency, it must do so within the limits of the budgetary resources available to it and the constraints of the scorekeeping requirements.

  If Congress enacts legislation that enables an agency to enter into a lease-purchase or capital lease for a specific project without further congressional action (e.g., appropriations action), it will be assumed that Congress has provided the budget authority required for the transaction. If Congress does not provide the budget authority in the form of an appropriation, then authority to borrow or contract authority will be recorded as follows:

  - *Authority to borrow* will be recorded if the transaction is a lease-purchase without substantial private risk, in which case outlays need to be scored up-front in advance of appropriations for the annual lease payment (or offsetting collections). A portion of the amount subsequently appropriated (or collected, if the agency receives offsetting collections) will be applied to retire outstanding agency debt attributable to the lease-purchase. (See sections 2(c) and 2(d) for more information on how that portion is determined and presented in the Budget.)

  - *Contract authority* will be recorded if the transaction is a lease-purchase with substantial private risk or a capital lease, in which case outlays will be scored over the lease term and financed by appropriations for the annual lease payment (or offsetting collections). A portion of the amount appropriated (or collected, if the agency receives offsetting collections) will be applied to liquidate contract authority. (See sections 2(c) and 2(d) for more information on how that portion is determined and presented in the Budget.)

- *Timing.* When Congress enacts legislation that specifically enables an agency to enter into a lease-purchase or capital lease, the budget authority required for the transaction will be recorded when the authority first becomes available for obligation. Obligations will be recorded when the lease agreement is signed. When the authority stems from general authority available to the agency, obligations are recorded, and sufficient budgetary resources must be available, when the lease agreement is signed.

(c) *Outlays.*

- *Lease-purchases without substantial private risk.* Outlays are not equal to the annual lease payments.

    - Outlays are scored over the period during which the contractor constructs, manufactures, or purchases the asset, in an amount equal to the asset cost. This amount will equal the up-front budget authority. Amounts of the asset cost in excess of the contractor's actual construction or manufacturing costs should be distributed in proportion to the distribution of the construction or manufacturing costs. If the asset already exists, the outlays will be recorded in the year in which the lease-purchase contract is signed.

    - Outlays equal to the imputed interest costs are reported on an annual basis over the lease term.

- *Lease-purchases with substantial private risk and capital leases.* Outlays are scored annually equal to the annual lease payments.

    - Over the life of the lease agreement, a portion of the outlays (equivalent to the asset cost) will come from the balances obligated when the lease agreement was signed, and a portion (equivalent to the imputed interest cost) will come from new budget authority. The appropriate amounts can be determined from amortization tables developed in accordance with the instructions in section 4.

(d) *Annual appropriations for lease financed by contract authority or borrowing authority.*

Lease-purchases and capital leases that are financed by contract authority or borrowing authority will generally require annual appropriations in an amount equal to the annual lease payment. Since budget authority equal to the asset cost is scored up front, the portion of the annual appropriation that corresponds to the amortization of the asset cost is not scored as new budget authority. If it were, total budget authority would be overstated over the life of the lease. The budget authority that is recorded on an annual basis will equal the imputed interest cost. The required adjustments are explained below.

- *For lease-purchases without substantial private risk that are financed by borrowing authority.* An amount equal to the amortization of the asset cost component of the annual lease payment will be treated as redemption of debt and deducted from the new budget authority totals. On the program and financing schedule, this amount will be reported as a negative entry on line 4047 or 6047 (see section 82.3). If offsetting collections are used to make the annual lease payment in lieu of an appropriation, the amount will be reported as a negative entry on line 6847 or 6947.

- *For capital leases and lease-purchases with substantial private risk that are financed by contract authority.* An amount equal to the amortization of the asset cost component of the annual lease payment will be treated as liquidating cash and deducted from the new budget authority totals. On the program and financing schedule, this amount will be reported as a negative entry on line 4049 or 6049 (see section 82.3). (If offsetting collections are used to make the annual lease payment in lieu of an appropriation, the amount will be reported as a negative entry on line 6849 or 6949.)

(e) *Agency debt.*

For lease-purchases without substantial private risk, agency borrowing must be recorded to finance the outlays scored for the construction, manufacture, or purchase of the asset. The agency debt that accumulates over this period is equal to the asset cost; this debt is subsequently redeemed over the lease payment period in an amount equal to a portion of the annual lease payment. The appropriate amounts of debt and debt redemption can be determined from the amortization tables developed in accordance with the instructions in section 4, Step 5. Interest on agency debt can be determined in accordance with Steps 3, 4, and 5.

If the account has a balance sheet, the amount of such agency debt should be included as a separate item (and separate from other agency debt) under liabilities and identified as having been incurred to finance lease-purchases. All other accounts should include the amount of agency debt in the narrative statement for the account that is published in the *Budget Appendix*.

3. Definitions and concepts

For the purposes of scoring lease-purchases and capital leases, the following definitions and concepts apply. Agencies should consult with OMB in cases where enhanced use leases and public-private partnerships are involved. Public-private partnerships should not be used solely or primarily as a vehicle for obtaining private financing of Federal construction or renovation projects. Such transactions should be used only when they are the least expensive method, in present value terms, to finance construction or repair.

Lease-purchase means a type of lease in which ownership of the asset is transferred to the Government at or shortly after the end of the lease term. Such a lease may or may not contain a bargain-price purchase option.

Capital lease means any lease other than a lease-purchase that does not meet the criteria of an operating lease.

Operating lease means a lease that meets all the criteria listed below. If the criteria are not met, the lease will be considered to be a capital lease or a lease-purchase, as appropriate. Multi-year service contracts (e.g., grounds maintenance) and multi-year purchase contracts for expendable commodities (e.g., aspirin) will be considered to be operating leases. Agencies should consult with OMB in cases where a service contract requires a private contractor to construct or acquire a capital asset solely or primarily to provide the service to the government.

- Ownership of the asset remains with the lessor during the term of the lease and is not transferred to the Government at or shortly after the end of the lease term.
- The lease does not contain a bargain-price purchase option.
- The lease term does not exceed 75 percent of the estimated economic life of the asset.
- The present value of the minimum lease payments over the life of the lease does not exceed 90 percent of the fair market value of the asset at the beginning of the lease term.
- The asset is a general purpose asset rather than being for a special purpose of the Government and is not built to the unique specification of the Government as lessee.
- There is a private sector market for the asset.

The following guidelines will be used in distinguishing between operating leases, capital leases, and lease purchases. They should be used in calculating the *term of the lease* and the value of the *minimum lease payments*:

- *Estimate of fair market value.* In the case of real property, the fair market value should be based on current market appraisals. If no asset exists, the fair market value of the proposed asset should be based on the Government's estimate of the private developer's cost to construct the leased facility. The estimate should only include the costs the Government would normally pay the private sector for such a facility. These costs include the total direct and indirect costs of constructing the facility, including land purchase, design, site improvements, and management costs. Fair market value should not include the value of features or enhancements that were built or added for the Government's unique needs or special purposes or features or enhancements that will be paid for by the Government in lump sum. If the Government proposes to lease only a portion of a facility, then the estimate of fair market value should be adjusted accordingly to reflect the portion that will be leased by the Government.

- *Special features or enhancements.* Assets that have special features or enhancements that were built or added for the Government's unique needs or special purposes need to be evaluated on a case-by-case basis to ascertain whether they can be considered to be general purpose assets. If the asset is considered to be a general purpose asset, then, as a general rule, such special features or enhancements should be financed up-front, separate from the lease.

- *Upfront, lump sum payments.* If the terms of a lease contain an upfront, lump sum payment, only the amounts associated with special features or enhancements to meet the Government's unique needs or specifications and the amounts associated with agency specific customizations can be removed from the agency scoring calculation. Any payment in excess of that amount will be factored into the net present value scoring calculation. The rental stream over the life of the lease must be adequate to provide functional space.

- *Projects on Government land*. If the project is constructed or located on Government land, it will be presumed to be for a special purpose of the Government.

- *Renewal and purchase options*. If the lease agreement contains an option to renew that can be exercised without additional legislation, it will be presumed that the option will be exercised. If the lease agreement contains an option to purchase at less than fair market value (at the time the option is to be exercised), and the option can be exercised without additional legislation, it will be presumed that the option will be exercised.

- *Cancellation clauses*. It will be presumed that the lease will run for the full term of the contract, and the minimum lease payments will be calculated on the basis of the lease payments that will be made over the full term of the lease (including options to renew).

- *Lease-backs from public/private partnerships.* If an agency leases from a public/private partnership that has substantial private participation, the lease will be treated as a capital lease. The term "public/private partnership" includes special purpose entities for which the Government is a beneficiary. Substantial private participation means (1) the non-Federal partner has a majority ownership share of the partnership and its revenues; (2) the non-Federal partner has contributed at least 20 percent of the total value of the assets owned by the partnership; and (3) the Government has not provided indirect guarantees of the project, such as a rental guarantee or a requirement to pay higher rent if it reduces its use of space. Total value includes the value of assets contributed by the Government (but not the value of land) and all improvements made to the asset. Contributions by the non-Federal partner of cash, real assets, and loans for which the non-Federal partner is responsible for repayment will count towards meeting the 20 percent threshold. Direct loans from the Government or guarantees by the Government of loans made to the non-Federal partner or to the partnership will not count towards the 20 percent threshold.

If a public/private partnership fails to meet the test of substantial private participation, the partnership will be considered governmental for purposes of the budget, and the lease-back will be scored against the agency that enters into the partnership.

If the Government ground-leases property to a non-Federal party and subsequently leases back the improvements, the lease will not be considered a lease-back from a public/private partnership, as long as the lessor is a totally non-Federal entity. Such lease-backs may be treated as operating leases if they meet the criteria for an operating lease.

- *Bargain-price purchase option*. A bargain-price purchase option is a provision allowing the Government to purchase the leased property for a price that is lower than the expected fair market value of the property at the date the option can be exercised. The purchase price includes the value of any rebates or income to the agency or Government resulting from its purchase of the asset.

- *Property taxes*. Property taxes, along with other operating expenses, will be excluded from the lease payments for purposes of comparing the present value of the minimum lease payments with the fair market value of the asset. (Note: Property taxes will be included in the calculation of the net present value of the lease payments for purposes of scoring budget authority under the BEA. See section 2 (b) above.)

- *Interest rates*. The present value of the minimum lease payments will be calculated on the basis of Treasury rates for marketable debt instruments of similar maturity to the lease term (see section 4).

Risk means the level of private-sector risk. Lease-purchase agreements are scored as with or without substantial private risk depending on the level of private-sector risk. Substantial private risk means the absence of substantial government risk. Risk is defined in terms of how governmental in nature the project is. That is, if the project is less governmental in nature, the private sector risk is considered to be higher.

The following types of illustrative criteria indicate ways in which the project is *less governmental*:

- There is no provision of Government financing and no explicit Government guarantee of third-party financing.

- Risks incident to ownership of the asset (e.g., financial responsibility for destruction or loss of the asset) remain with the lessor unless the Government was at fault for such losses.

- The asset is a general purpose asset rather than being for a special purpose of the Government and is not built to the unique specification of the Government as lessee.

- There is a private-sector market for the asset.

- The project is not constructed on Government land.

Imputed interest cost means the financing costs that Treasury would have incurred if it had sold debt to the public equal to the total project cost. The difference between the total estimated legal obligations (excluding obligations for annual operating expenses as described in section 2(b)) and their estimated net present value represents imputed interest costs. Imputed interest costs will be calculated at Treasury rates for marketable debt instruments of similar maturity to the lease term on the date the contract is signed. These costs will be considered mandatory under the BEA and will be shown in the same function as interest on agency debt, that is, in the function that provided the obligational authority to enter into the contract.

Differential cost of financing means the total annual interest payments on any debt sold to the public less the interest payments that would have been made on the same amount of debt at the Treasury rate (i.e., less the imputed interest costs). Simply stated, this corresponds to any interest above Treasury's interest rate.

Asset cost means the present value of the agency's minimum lease payments discounted from the date of the first payment (or the beginning of the lease term, whichever is earlier) using the Treasury interest rate for marketable debt instruments of similar maturity to the lease term on the date the contract is signed and excluding obligations for identifiable annual operating expenses as described in section 2(b). Asset cost corresponds to the total construction or acquisition costs, plus property taxes and any interest above Treasury's cost of financing (i.e., the differential cost of financing). See section 4 for more detailed explanation and the treatment of multiple deliveries.

4. Guidance on calculations

A schedule of lease payments or an amortization schedule is required to calculate budget authority, outlays, and debt. The correct Treasury rate to use for discounting to present value and for calculating imputed interest costs will be based on the economic assumptions in the most recent budget, which, for the current year, are published in the annual update to Appendix C of OMB Circular No. A–94. Revised forecasts of these Treasury interest rates are released whenever economic assumptions for the budget are updated. Use Treasury rates for marketable debt instruments of similar maturity to the lease term on the date the contract is signed. Discount from the date of the first payment (or the beginning of the lease term, whichever is earlier). The term selected for the Treasury rate should be comparable to the term of the capital lease or lease-purchase.

All assumptions required to perform the lease analysis are subject to OMB approval.

Step 1—Calculate up-front BA.

For lease-purchase without substantial private risk; lease-purchase with substantial private risk; and capital lease (including lease-back from public/private partnership with substantial private sector participation): To determine up-front BA (i.e., asset cost), calculate the present value of the lease payments, discounting from the date of the first payment or the beginning of the lease term, whichever is earlier, using the appropriate Treasury interest rate as the discount factor and excluding obligations for identifiable annual operating expenses as described in section 2(b). This BA is scored when the authority to enter into a contract for the lease-purchase or capital lease first becomes available for obligation.

However, if the lease contract provides for multiple deliveries of assets, the up-front BA is sum of the present values of the lease payments for each asset discounted back to the date that the asset is delivered. For example, if the lease contract provides for the delivery of one machine in each of the next five years, the lease payments for the machine acquired in the first year would be discounted back to the first year, while the lease payments for the machine acquired in the fifth year would be discounted back to the fifth year, and the total BA recorded up front would be the sum of the present values calculated for each of the five deliveries.

Step 2—Calculate outlays over the period during which the contractor constructs, manufactures, or purchases the asset.

For lease-purchase without substantial private risk: Score outlays in proportion to the distribution of the contractor's costs. For example, assume a contractor's costs on a $50 million project are estimated to be $7.5 million the first year, $27.5 million the second year, and $15 million the third year. The analyst should apply spendout rates of 15 percent, 55 percent, and 30 percent to the BA calculated in Step 1 for the first, second, and third years, respectively. Total outlays at the end of the construction, manufacture, or purchase period should equal the BA calculated in Step 1. (Note that total outlays will ordinarily exceed the contractor's costs.)

For lease-purchase with substantial private risk and capital lease (including lease-back from public/private partnership with substantial private sector participation): Outlays are not scored during this period. Refer to Step 4 for outlay scoring.

Step 3—Calculate annual BA for the lease payment period.

For lease-purchase without substantial private risk; lease-purchase with substantial private risk; and capital lease: Annual BA will equal the imputed interest costs calculated using the same Treasury interest rate used to discount the lease payments in Step 1. The interest portion of each periodic payment is the imputed interest cost. In the case of a lease-purchase without substantial private risk, the interest rate should be applied to debt that is initially equal to the up-front BA calculated in Step 1 and that is then amortized over the lease term in accordance with Step 5.

Step 4—Calculate outlays over the lease payment period.

For lease-purchase without substantial private risk: Annual outlays are equal to the annual BA (i.e., the imputed interest costs).

For lease-purchase with substantial private risk and capital lease (including lease-back from public/private partnership with substantial private sector participation): Annual outlays are equal to the lease payments.

Step 5—Calculate agency debt (applies only to lease-purchases without substantial private risk).

Agency debt accumulates during the period of construction, manufacture, or purchase of the asset. The increase in debt each year equals the amount of outlays calculated in Step 2. Agency debt is subsequently redeemed over the lease payment period according to an amortization schedule. The amount of debt redemption each year is equal to the lease payment less the imputed interest cost as defined in Step 3. (Debt redemption is not scored as BA or outlays.) Imputed interest costs are scored as BA and outlays and are also scored as interest on agency debt.

5. Reporting to OMB and Treasury

Budget execution reports and apportionment requests will reflect budget amounts in accordance with these requirements. Amounts (e.g., budget authority and outlays) will be reported to Treasury on the same basis.

APPENDIX C—LISTING OF OMB AGENCY/BUREAU AND TREASURY CODES

Under the MAX system, OMB assigns agency and bureau codes that are used to identify and access data in the budget database. The following table lists these codes in budget order. It also provides the corresponding agency codes assigned by Treasury. In certain instances, a different Treasury agency code may be used for some accounts in an agency; a complete listing can be found in the Budget Accounts Title (BAT) file. (See Section 79.2 for additional information on account identification codes.)

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Legislative Branch			
Legislative Branch	001	00	99
Senate	001	05	00
House of Representatives	001	10	00
Joint Items	001	11	00
Capitol Police	001	13	02
Office of Compliance	001	12	09
Congressional Budget Office	001	14	08
Architect of the Capitol	001	15	01
Botanic Garden	001	18	09
Library of Congress	001	25	03
Government Printing Office	001	30	04
Government Accountability Office	001	35	05
United States Tax Court	001	40	23
Legislative Branch Boards and Commissions	001	45	09
Legislative Branch Boards and Commissions	001	45	48
Judicial Branch			
Judicial Branch	002	00	10
Supreme Court of the United States	002	05	10
United States Court of Appeals for the Federal Circuit	002	07	10

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
United States Court of International Trade	002	15	10
Courts of Appeals, District Courts, and other Judicial Services	002	25	10
Administrative Office of the United States Courts	002	26	10
Federal Judicial Center	002	30	10
Judicial Retirement Funds..	002	35	10
United States Sentencing Commission	002	39	10
Department of Agriculture			
Office of the Secretary	005	03	12
Executive Operations	005	04	12
Office of Civil Rights..	005	07	12
Departmental Administration..	005	05	12
Office of Communications..	005	06	12
Office of the Inspector General...	005	08	12
Office of the General Counsel	005	10	12
Economic Research Service..	005	13	12
National Agricultural Statistics Service	005	15	12
Agricultural Research Service	005	18	12
Cooperative State Research, Education, and Extension Service	005	20	12
Animal and Plant Health Inspection Service	005	32	12
Food Safety and Inspection Service..	005	35	12
Grain Inspection, Packers and Stockyards Administration	005	37	12
Agricultural Marketing Service	005	45	12
Risk Management Agency..	005	47	12
Farm Service Agency..	005	49	12
Natural Resources Conservation Service	005	53	12

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Rural Development	005	55	12
Rural Housing Service	005	63	12
Rural Business - Cooperative Service	005	65	12
Rural Utilities Service	005	60	12
Foreign Agricultural Service	005	68	12
Food and Nutrition Service	005	84	12
Forest Service	005	96	12
Department of Commerce			
Departmental Management	006	05	13
Economic Development Administration	006	06	13
Bureau of the Census	006	07	13
Economic and Statistical Analysis	006	08	13
International Trade Administration	006	25	13
Bureau of Industry and Security	006	30	13
Minority Business Development Agency	006	40	13
National Oceanic and Atmospheric Administration	006	48	13
U.S. Patent and Trademark Office	006	51	13
Technology Administration	006	53	13
National Technical Information Service	006	54	13
National Institute of Standards and Technology	006	55	13
National Telecommunications and Information Administration	006	60	13
Department of Defense—Military			
Military Personnel	007	05	*
Operation and Maintenance	007	10	*
International Reconstruction and Other Assistance	007	12	*

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Procurement	007	15	*
Research, Development, Test, and Evaluation	007	20	*
Military Construction	007	25	*
Family Housing	007	30	*
Revolving and Management Funds	007	40	*
Allowances	007	45	*
Trust Funds	007	55	*
Department of Education			
Office of Elementary and Secondary Education	018	10	91
Office of Innovation and Improvement	018	12	91
Office of Safe and Drug-Free Schools	018	14	91
Office of English Language Acquisition	018	15	91
Office of Special Education and Rehabilitative Services	018	20	91
Office of Vocational and Adult Education	018	30	91
Office of Postsecondary Education	018	40	91
Office of Federal Student Aid	018	45	91
Institute of Education Sciences	018	50	91
Departmental Management	018	80	91
Hurricane Education Recovery	018	85	91
Department of Energy			
National Nuclear Security Administration	019	05	89
Environmental and Other Defense Activities	019	10	89
Energy Programs	019	20	89
Power Marketing Administration	019	50	89
Departmental Administration	019	60	89

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Department of Health and Human Services			
Food and Drug Administration	009	10	75
Health Resources and Services Administration	009	15	75
Indian Health Services	009	17	75
Centers for Disease Control and Prevention	009	20	75
National Institutes of Health	009	25	75
Substance Abuse and Mental Health Services Administration	009	30	75
Agency for Healthcare Research and Quality	009	33	75
Centers for Medicare and Medicaid Services	009	38	75
Administration for Children and Families	009	70	75
Administration on Aging	009	75	75
Departmental Management	009	90	75
Program Support Center	009	91	75
Office of the Inspector General	009	92	75
Department of Homeland Security			
Departmental Management and Operations	024	10	70
Office of the Inspector General	024	20	70
Citizenship and Immigration Services	024	30	70
United States Secret Service	024	40	70
Security, Enforcement, and Investigations	024	50	70
United States Coast Guard	024	60	20
United States Coast Guard	024	60	70
National Protection and Programs Directorate	024	65	70
Federal Emergency Management Agency	024	70	70
Science and Technology	024	80	70
Domestic Nuclear Detection Office	024	85	70

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Information Analysis and Infrastructure Protection..................	024	90	70
Department of Housing and Urban Development			
Public and Indian Housing Programs..	025	03	86
Community Planning and Development	025	06	86
Housing Programs...	025	09	86
Government National Mortgage Association............................	025	12	86
Policy Development and Research	025	28	86
Fair Housing and Equal Opportunity	025	29	86
Office of Lead Hazard Control and Healthy Homes.................	025	32	86
Management and Administration..	025	35	86
Department of the Interior			
Bureau of Land Management..	010	04	14
Minerals Management Service..	010	06	14
Office of Surface Mining Reclamation and Enforcement..........	010	08	14
Bureau of Reclamation	010	10	14
Central Utah Project..	010	11	14
United States Geological Survey	010	12	14
Bureau of Mines..	010	14	14
United States Fish and Wildlife Service	010	18	14
National Park Service	010	24	14
Bureau of Indian Affairs and Bureau of Indian Education	010	76	14
Departmental Offices..	010	84	14
Insular Affairs	010	85	14
Office of the Solicitor	010	86	14
Office of Inspector General	010	88	14
Office of the Special Trustee for American Indians	010	90	14

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
National Indian Gaming Commission.......................................	010	92	14
Department-Wide Programs	010	95	14
Department of Justice			
General Administration...	011	03	15
United States Parole Commission...	011	04	15
Legal Activities and U.S. Marshals	011	05	15
National Security Division...	011	08	15
Radiation Exposure Compensation...	011	06	15
Interagency Law Enforcement..	011	07	15
Federal Bureau of Investigation..	011	10	15
Drug Enforcement Administration...	011	12	15
Bureau of Alcohol, Tobacco, Firearms, and Explosives...........	011	14	15
Federal Prison System...	011	20	15
Office of Justice Programs..	011	21	15
Violent Crime Reduction Trust Fund.......................................	011	30	15
Department of Labor			
Employment and Training Administration	012	05	16
Employee Benefits Security Administration.............................	012	11	16
Pension Benefit Guaranty Corporation	012	12	16
Employment Standards Administration	012	15	16
Occupational Safety and Health Administration.......................	012	18	16
Mine Safety and Health Administration	012	19	16
Bureau of Labor Statistics...	012	20	16
Departmental Management..	012	25	16
Department of State			
Administration of Foreign Affairs	014	05	19

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
International Organizations and Conferences	014	10	19
International Commissions	014	15	19
Other	014	25	11
Other	014	25	19
Other	014	25	95
Department of Transportation			
Office of the Secretary	021	04	69
Federal Aviation Administration	021	12	69
Federal Highway Administration	021	15	69
Federal Motor Carrier Safety Administration	021	17	69
National Highway Traffic Safety Administration	021	18	69
Federal Railroad Administration	021	27	69
Federal Transit Administration	021	36	69
Saint Lawrence Seaway Development Corporation	021	40	69
Pipeline and Hazardous Materials Safety Administration	021	50	69
Research and Innovative Technology Administration	021	53	69
Office of Inspector General	021	56	69
Surface Transportation Board	021	61	69
Maritime Administration	021	70	69
Department of the Treasury			
Departmental Offices	015	05	20
Financial Crimes Enforcement Network	015	04	20
Financial Management Service	015	10	20
Federal Financing Bank	015	11	20
Alcohol and Tobacco Tax and Trade Bureau	015	13	20
Bureau of Engraving and Printing	015	20	20

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
United States Mint	015	25	20
Bureau of the Public Debt	015	35	20
Internal Revenue Service	015	45	20
Comptroller of the Currency	015	57	20
Office of Thrift Supervision	015	58	20
Interest on the Public Debt	015	60	20
Department of Veterans Affairs			
Veterans Health Administration	029	15	36
Benefits Programs	029	25	36
Departmental Administration	029	40	36
Major Independent Agencies			
Corps of Engineers-Civil Works	202	00	96
Environmental Protection Agency	020	00	68
Executive Office of the President			
The White House	100	05	11
Special Assistance to the President and the Official Residence of the Vice President	100	15	11
Council on Environmental Quality and Office of Environmental Quality	100	25	11
Office of Management and Budget	100	55	11
Office of National Drug Control Policy	100	60	11
Office of Science and Technology Policy	100	65	11
Office of the United States Trade Representative	100	70	11
Unanticipated Needs	100	95	11
General Services Administration			
Real Property Activities	023	05	47
Supply and Technology Activities	023	10	47

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
General Activities	023	30	47
General Activities	023	30	95
National Aeronautics and Space Administration	026	00	80
National Science Foundation	422	00	49
Office of Personnel Management	027	00	24
Small Business Administration	028	00	73
Social Security Administration	016	00	28
Other Defense Civil Programs			
Military Retirement..	200	05	97
Retiree Health Care..	200	07	97
Educational Benefits	200	10	97
American Battle Monuments Commission	200	15	74
Armed Forces Retirement Home	200	20	84
Cemeterial Expenses..	200	25	21
Forest and Wildlife Conservation, Military Reservations..........	200	30	97
Selective Service System	200	45	90
International Assistance Programs			
Millennium Challenge Corporation	184	03	95
International Security Assistance...	184	05	11
International Security Assistance...	184	05	72
Multilateral Assistance..	184	10	11
Multilateral Assistance..	184	10	72
Agency for International Development....................................	184	15	72
Overseas Private Investment Corporation.................................	184	20	71
Trade and Development Agency...	184	25	11
Peace Corps..	184	35	11

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Inter-American Foundation..	184	40	11
African Development Foundation...	184	50	11
International Monetary Programs	184	60	11
Military Sales Program	184	70	11
Special Assistance Initiatives..	184	75	72
Other Independent Agencies			
Advisory Council on Historic Preservation	306	00	95
Affordable Housing Program..	530	00	95
Appalachian Regional Commission..	309	00	46
Architectural and Transportation Barriers Compliance Board...	310	00	95
Barry Goldwater Scholarship and Excellence in Education Foundation	313	00	95
Broadcasting Board of Governors...	514	00	95
Central Intelligence Agency	316	00	56
Chemical Safety and Hazard Investigation Board	510	00	95
Christopher Columbus Fellowship Foundation..........................	465	00	76
Commission of Fine Arts	323	00	95
Commission on Civil Rights...	326	00	95
Commission on Ocean Policy	515	00	48
Committee for Purchase from People who are Blind or Severely Disabled, activities..	338	00	95
Commodity Futures Trading Commission................................	339	00	95
Consumer Product Safety Commission	343	00	61
Corporation for National and Community Service	485	00	95
Corporation for Public Broadcasting	344	00	20
Court Services and Offender Supervision Agency for the District of Columbia	511	00	95
Defense Nuclear Facilities Safety Board	347	00	95

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Delta Regional Authority	517	00	95
Denali Commission	513	00	95
District of Columbia			
District of Columbia Courts	349	10	95
District of Columbia General and Special Payments	349	30	20
Election Assistance Commission	525	00	95
Electric Reliability Organization	531	00	95
Equal Employment Opportunity Commission	350	00	45
Export-Import Bank of the United States	351	00	83
Farm Credit Administration	352	00	78
Farm Credit System Insurance Corporation	355	00	78
Federal Communications Commission	356	00	27
Federal Deposit Insurance Corporation			
Deposit Insurance	357	20	51
FSLIC Resolution	357	30	51
FDIC--Office of Inspector General	357	40	51
Federal Drug Control Programs	154	00	11
Federal Election Commission	360	00	95
Federal Financial Institutions Examination Council Appraisal Subcommittee	362	00	95
Federal Housing Enterprise Regulator	532	00	95
Federal Housing Finance Board	364	00	95
Federal Labor Relations Authority	365	00	54
Federal Maritime Commission	366	00	65
Federal Mediation and Conciliation Service	367	00	93
Federal Mine Safety and Health Review Commission	368	00	95

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Federal Retirement Thrift Investment Board	369	00	26
Federal Trade Commission	370	00	29
Harry S. Truman Scholarship Foundation	372	00	95
Institute of American Indian and Alaska Native Culture and Arts Development	373	00	95
Intelligence Community Management Account	467	00	95
International Trade Commission...	378	00	34
James Madison Memorial Fellowship Foundation	381	00	95
Japan-United States Friendship Commission............................	382	00	95
Legal Services Corporation...	385	00	20
Marine Mammal Commission	387	00	95
Merit Systems Protection Board	389	00	41
Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation	487	00	95
National Archives and Records Administration........................	393	00	88
National Capital Planning Commission	394	00	95
National Commission on Libraries and Information Science	400	00	95
National Council on Disability	413	00	95
National Credit Union Administration......................................	415	00	25
National Endowment for the Arts	417	00	59
National Endowment for the Humanities..................................	418	00	59
Institute of Museum and Library Services	474	00	59
National Labor Relations Board	420	00	63
National Mediation Board...	421	00	95
National Transportation Safety Board	424	00	95
National Veterans Business Development Corporation............	518	00	95
Neighborhood Reinvestment Corporation	428	00	82

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Nuclear Regulatory Commission	429	00	31
Nuclear Waste Technical Review Board	431	00	48
Occupational Safety and Health Review Commission	432	00	95
Office of Government Ethics	434	00	95
Office of Navajo and Hopi Indian Relocation	435	00	48
Office of Special Counsel	436	00	62
Office of the Federal Coordinator for Alaska Natural Gas Transportation Projects	534	00	95
Other Commissions and Boards..	505	00	95
Postal Service..	440	00	18
Presidio Trust..	512	00	95
Railroad Retirement Board	446	00	60
Securities and Exchange Commission	449	00	50
Public Company Accounting Oversight Board..........................	526	00	95
Standard Setting Body	527	00	95
Smithsonian Institution	452	00	33
State Justice Institute..	453	00	48
Telecommunications Development Fund	528	00	95
Tennessee Valley Authority..	455	00	64
United Mine Workers of America Benefit Funds	476	00	95
United States Court of Appeals for Veterans Claims................	345	00	95
United States Holocaust Memorial Museum	456	00	95
United States Institute of Peace	458	00	95
United States Interagency Council on Homelessness	376	00	48
United States-Canada Alaska Rail Commission	521	00	48
Vietnam Education Foundation	519	00	95

Agency	OMB Codes		Treasury Agency Code
	Agency	Bureau	
Government Sponsored Enterprises			
Farm Credit System	912	00	99
Financing Vehicles and the Board of Governors of the Federal Reserve			
Financing Vehicles and the Board of Governors of the Federal Reserve	920	00	99

* Under Department of Defense-Military, Treasury agency codes are assigned as follows:

Agency	Code
Navy, Marine Corps	17
Army	21
Air Force	57
Defense-wide	97

APPENDIX D—EXPLANATION OF MAX EDIT CHECKS

TO BE ISSUED AT A LATER DATE

Development of MAX edit checks is an ongoing process. The help messages included in the on-line MAX screens will reflect the latest edit checks and descriptions of these checks.

APPENDIX F—FORMAT OF SF 132 AND SF 133

A. *Budgetary Resources—Format of SF 132 and SF 133*

Use the entries in the following table to prepare the "Budgetary Resources" section of the SF 132, Apportionment and Reapportionment Schedule (for unexpired accounts only), and the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority).

BUDGETARY RESOURCES

Entry	Description
Line 1. Unobligated balance, start of year:	
A. Brought forward, October 1 (+ or –)	*For unexpired accounts:* Amount of unobligated balance brought forward from prior fiscal years as of October 1 of the current fiscal year that is *available for obligation* as defined in section 20.4(f). Applies only to no-year and unexpired multiple-year accounts, therefore do *not* include amounts not available for obligation. Include reductions of these prior year balances enacted in the current year on lines 5 or 6B. If you apportion balances brought forward from prior years before the actual balance is known, include an estimated amount on this line, and include the actual balance in the next reapportionment request. When completing an apportionment, you must use a line split of E to indicate the balance is an Estimate or a line split of A to indicate the use of an Actual balance. The amount on this line should be the same as the *end of year amounts* of the previous fiscal year: • On lines 9 and 10 of the September 30 SF 133; • In the Treasury Combined Statement Appendix; and • In the past year column of the Program and Financing Schedule of the Budget Appendix. If the account is apportioned by time periods and the difference between the estimate and the actual is within the range of adjustment permitted by section 120.38, adjust the apportionments accordingly. If the difference is greater, OMB must approve a request for reapportionment before the funds that are greater than the automatic apportionment can be obligated. *Indefinite budget authority.*—Do not carry forward any amounts on this line for (1) indefinite appropriations except for available special and trust fund receipts; (2) indefinite borrowing authority; or indefinite contract authority. *For expired accounts:* Amount of expired unobligated balances available for upward adjustments of obligations.

Entry	Description
	Normally, this is a positive amount. A negative amount indicates a deficiency in the prior fiscal year. In the first expired year, the amount should be the same as the amount of unobligated balances on line 9 and 10C of the previous fiscal year's September 30 SF 133. In the second expired year and thereafter, the amount should be the same as the amount on line 10C of the previous fiscal year's September 30 SF 133. These balances are available only for valid upward adjustments of obligations that were properly incurred against the account during the unexpired phase. *Appropriated receipts*.—Do not include the balances of unavailable collections that were precluded from obligation in a previous fiscal year due to a provision of law, such as a benefit formula or limitation. See lines 3A1 and 5.
B. Adjustment to unobligated balance brought forward, October 1 (+ or –)	*For unexpired and expired accounts:* Changes to unobligated balances that occurred in a prior fiscal year and that were not recorded in the unobligated balance as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's Financial Management Service (FMS) will review the Fund Balance with Treasury (FBWT) component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a Treasury Appropriation Fund Symbol (TAFS) that round to $1 million or more. This range includes amounts above $500,000. Agencies should generally exclude reclassifications from clearing accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years that were not outlayed as reported on line 2A; • Upward adjustments of obligations previously incurred as reported on line 8; and • Refunds collected from prior year paid obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on line 3D1a. On the SF 133, material and non-material adjustments to the unobligated balance as of October 1 of the current fiscal year should be included on line 1B. On the Statement of Budgetary Resources, material amounts are part of the unobligated balance as of October 1 of

Entry	Description
	the current fiscal year because the prior year's financial statements are restated. NOTE: Agencies must separately report adjustments in their FACTS II submissions.
Line 2. Recoveries of prior year unpaid obligations:	
A. Actual	*For unexpired and expired accounts:* Amount of any cancellations or downward adjustments of obligations incurred in *prior fiscal years* that were *not outlayed.* Include the adjustments since October 1 of the current year. Show the actual recoveries, as shown on the SF 133, on reapportionment requests. Include recovered amounts obligated against indefinite borrowing authority that was borrowed. Then subtract the same amount on line 6C. Include recovered amounts obligated against *indefinite* borrowing authority that was *not* borrowed or *unfunded* contract authority. Then subtract the same amount on line 6D. Exclude recovered amounts obligated against indefinite contract authority that was funded. Do not subtract the same amount on line 6D. Exclude any cancellations or downward adjustments of obligations incurred and outlayed in prior fiscal years since they must be accompanied by cash refunds. Cash refunds collected (i.e., recoveries of prior year obligations incurred and outlayed in prior fiscal years) are to be included on line 3D1a. For upward adjustments, see line 8. Exclude recoveries of current year unpaid obligations, which will be netted against obligations on line 8. If a recovery is significant, you may want to explain in a footnote. Exclude any adjustments to current year beginning balance recorded on lines 1B and 12A2. For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these obligated balances as canceled, include the amount to be canceled, as a positive. Then, subtract the same amount on line 6A, *Cancellations of expired and no-year accounts*.
B. Anticipated	*For unexpired accounts:* Amount of the current estimate of additional recoveries of prior fiscal year obligations anticipated in unexpired accounts for the remainder of the fiscal year. For no-year and multi-year accounts, there may be amounts on this line after the first fiscal year. No amount should be on this line on the September 30 report. For unexpired annual accounts, leave lines 2A and 2B blank.
Line 3. Budget authority:	*Use budget authority lines (3A through 3C) for unexpired accounts.*
A. Appropriation 1. Actual	Amount of appropriations specified in appropriations acts or in substantive laws that become available for obligation on or after October 1 of the fiscal year.

Entry	Description
	The following paragraphs describe the application of the above principles to specific circumstances: *Regular appropriations*.—Amounts made available in any of the 13 regular appropriations acts. In cases where the amount appropriated is reduced by an amount of offsetting collections or revenues during the fiscal year so as to result in a final fiscal year appropriation estimated at not more than XXX, the amount derived from the General Fund of the U.S. Treasury shown on this line should be reduced by the amount of offsetting collections or revenues received during the fiscal year on the September 30 SF 133. See exhibit 130N. *Supplemental appropriations*.—Amounts made available in supplemental appropriations acts. *Reappropriations*. — Amount of new budget authority resulting from legislation enacted after the law that provided the budget authority and that extends the period of availability of funds that have expired or would otherwise expire. Such extensions of availability are counted as new budget authority in the first year of the extended availability (see sections 20.4(h) and 121.10). Amounts in the gaining account in the year of which they become newly available for obligation. The losing account has expired; therefore, no reapportionment action is needed for the losing account. For the SF 133, the losing account will include a negative amount on line 6B of the previous year. *Appropriation provided under a continuing resolution*.—The annualized level of the appropriation. If the continuing resolution is for less than the full year, subtract the portion not available on line 5. See exhibits 121H and 121I. When the regular appropriations act is passed, replace the amount on this line with the amount specified in the regular appropriations act. See exhibit 121J. *Advance appropriation*.—Include in the first fiscal year in which the amounts become available for obligation. For example, if you received advance appropriations for fiscal year 2002 in the regular annual appropriations act for fiscal year 2001, then include the advance appropriation on this line for the fiscal year 2002. *Forward funding*.—Include the amount appropriated on this line even though the funds may not become available until July 1st. *Advance funding*.—Include the portion that will be obligated in the current year on this line. Exclude the amount obligated last year. *Appropriated receipts*.—Collections deposited in special and trust fund receipt accounts that are earmarked for special and trust fund expenditure accounts. Of these amounts: • Some receipts are *appropriated* and are available for obligation. Include the amounts *collected in the current fiscal year* on this line. • Some receipts are *appropriated, but a portion is precluded from obligation* by a provision of law, such as a benefit formula or limitation. Include the amounts *collected in the current fiscal year* on this line. Subtract the amounts that are that are not expected to be available as a negative amount on line 5 and

Entry	Description
	show this amount on the September 30 report. See exhibits 121P and 130L.
	• Some receipts were collected in a previous fiscal year and precluded from obligation in a previous fiscal year. Include the amounts expected to become available pursuant to law during the fiscal year on this line.
	• Some receipts are *not appropriated*. Exclude these amounts from this line.
	NOTE: In exceptional cases, there is authority in law to invest collections. In such cases, the current year collections shown on line 5 and prior year collections that were precluded from obligation (not shown on the SF 132) will not be available for obligation (and will not be included on the SF 132 and SF 133 until needed to incur obligations) but will be available for investment. Unlike OMB, Treasury classifies these funds as "available."
	Some laws that make appropriated receipts available for obligation specify the amount appropriated. These are *definite appropriations*. Other laws that make appropriated receipts available for obligation do not specify the amount appropriated. These appropriated receipts are *indefinite appropriations*. For indefinite appropriations of appropriated receipts, follow the instructions for appropriated receipts.
	Indefinite appropriations other than from appropriated receipts.—Amount certified by appropriation warrants for the year, after being reduced by negative warrants issued by the Treasury or end-of-year statements.
	Appropriations contingent upon authorizing legislation or upon designation as an emergency.—When an appropriations act specifies that all or a portion of the amount appropriated is not available for obligation until specifically authorized by another law, or are not available for obligation until the President submits a budget request to the Congress designating the amount as an emergency:
	• Include the *full amount* of the appropriation on line 3A1, and
	• Subtract the amount *not* authorized by law or *not designated* as emergency requirements by the President on line 5 except on the September 30 SF 133.
	• At the beginning of the next fiscal year, any unobligated balance that is still contingent and would still be available for new obligations if the contingency is met will be included on line 1A and subtracted on line 5 as unavailable until either the authorizing legislation is enacted or the amount is designated by the President. This paragraph does not apply to contingent emergency appropriations enacted in FY 1999 or earlier.
	• With the expiration of section 251 of the Budget Enforcement Act, there is no longer a statutory procedure for "emergency" declarations. For releases of previously appropriated funding made contingent on the President taking additional action, agencies should contact their OMB representative.
	Contingent emergency appropriations from FY 1999 and prior years.—If the President designates a contingent emergency appropriation *from*

Entry	Description
	FY 1999 or a prior year as emergency requirements, include the amount on this line in the year of the Presidential designation.
	Appropriations to liquidate debt.—Appropriations that are available to repay amounts borrowed from the Treasury but are not available to incur obligations. Include the appropriation to liquidate debt on this line and the repayment to Treasury on line 6C, as a negative. Include any excess on line 6D, as a negative.
	Appropriations to liquidate deficiencies.—Appropriations that are available to liquidate obligations in excess of budgetary resources but are not available to incur obligations. Include the appropriation to liquidate deficiencies on this line. This should cover the deficiency (reflected as a negative unobligated balance carried forward on line 1A). This applies to unexpired and expired accounts. Normally, there are no excess amounts because these appropriations are requested after the deficiency is known, whereas, the agencies normally budget for appropriations to liquidate debt and appropriations to liquidate contract authority.
	Appropriations to liquidate contract authority.—Typically, these are separate appropriations of liquidating cash in appropriations acts and an amount equal to the appropriation to liquidate is shown as a negative on line 6E. Thus, the total budgetary resources on line 7 equal zero. See exhibit 121O.
	Occasionally, these appropriations include the authority to liquidate obligations where anticipated offsetting collections have not been realized. The amounts are available to liquidate contract authority but are not available for obligation. Include such appropriations to liquidate contract authority on this line. Include any excess amounts on line 6D as a negative.
	Appropriations substituted for borrowing authority.—Occasionally, portions of appropriations are available to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. The amounts are available to liquidate obligations but are not available for obligation. Include such portion substituted for borrowing authority on this line. Include an amount equal to the portion of appropriation substituted for borrowing authority on line 6D as a negative. Thus, the budgetary resources on line 7 equal zero.
	Appropriations of Specific Amounts of which "Not to Exceed" a Portion Remains Available Beyond the Remainder of the Appropriation. See details following the description of line 7.
	Interest on the public debt. See details following the description of line 7.
2. Anticipated	Include: • Amount of indefinite appropriations anticipated to become available under existing law for the remainder of the fiscal year. On the SF 133, this amount may differ from the amount on the latest SF 132 to the extent it is a more current estimate. • Anticipated collection of available receipts. • Anticipated amount from indefinite appropriations other than from appropriated receipts to be reduced by negative warrants issued by the Treasury or end-of-year statements.

Entry	Description
	Do not include: • Indefinite appropriations included on line 3A1. • Anticipated, un-enacted supplemental appropriations. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on lines 3A1 and 3A2 in a footnote.
B. Borrowing authority	Amount of new borrowing authority, primarily from the Treasury, to finance obligations and outlays. Include the amount becoming available for obligation on or after October 1 of the fiscal year. *Definite borrowing authority.*—Include the amount specified in law. *Indefinite borrowing authority.*—Include an estimate of the amount to be obligated during the fiscal year. On the September 30 report, include the portion that is not needed on line 6D, as a negative. *Repayment of principal and interest*.—Include the repayment of principal, as a negative, on line 6C after including estimated interest obligations on line 8. *Appropriation to liquidate debt*.—Do not include these appropriations on this line. Include this authority on line 3A1. It is provided when proceeds to the account are insufficient to repay borrowing. If a portion of the appropriation to liquidate debt is not needed, include the amount (as a negative) on line 6D. *Direct loan financing accounts*.—Include the amount of new borrowing authority needed to finance the part of direct loan obligations not financed by subsidy payments from the program account and fees from borrowers. *Guaranteed loan financing accounts*.—Include the amount of new borrowing authority needed to cover any default claims and other cash outflows that cannot be financed by unobligated balances.
C. Contract authority	Amount of new contract authority to incur obligations that typically will require a separate appropriation of liquidating cash before payments can be made. Occasionally, contract authority is provided in anticipation of receiving offsetting collections. Include the amount becoming available on or after October 1 of the fiscal year. *Definite contract authority*.—Include the amount specified in law. *Indefinite contract authority.*—Include an estimate of the amount to be obligated during the year. On the September 30 report, include the portion that is not needed on line 6D, as a negative. *Appropriation to liquidate contract authority*.—Do not include on this line. Include on line 3A1. If a portion of the appropriation to liquidate contract authority is not needed, then include the amount (as a negative) on line 6D.
D. Spending authority from offsetting collections (gross):	For initial apportionments, include anticipated collections on lines 3D3 or 3D5c, as appropriate. If the account is reapportioned during the year, include actual amounts on lines 3D1, 3D2, 3D5a, and 3D5b and anticipated amounts on lines 3D3 or 3D5c.

Entry	Description
	Special and trust fund accounts.—Include offsetting collections for reimbursable work and payments from Federal funds when specifically authorized by law. Exclude *appropriated receipts* which should be included on line 3A1.
1. Earned:	
a. Collected	*For unexpired and expired accounts:* Amount of *reimbursements or other income earned and collected* to date during the current fiscal year, including those for revolving funds. Include *collections of receivables* in either the net unpaid obligations or the unobligated balances brought forward, if any. Include *refunds collected* from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligation. This represents one type of recoveries of prior year obligations. For recoveries of prior year unpaid obligations, see line 2. Include spending authority from offsetting collections *earned and collected* to liquidate the contract authority. Include the collections to liquidate the contract authority on line 6D, as a negative. To return an offsetting collection received in a prior fiscal year, obligate and outlay the amount in the current fiscal year. Include portion of spending authority from offsetting collections *earned* and *collected* that is substituted for borrowing authority to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. Include the collections to liquidate the borrowing authority on line 6D, as a negative. Exclude cash refunds of amounts obligated and outlayed during the current year. For SF 133, these should be netted against the appropriate line 8 and line 19A. For credit financing accounts, include the subsidy collected from the program account when loans are disbursed. Exclude any adjustments to current year beginning balances recorded on lines 1B and 12B2.
b. Change in receivables from Federal sources	*For unexpired accounts:* Amount of reimbursements from another Federal Government account that is *earned, but not collected*, to date during the current fiscal year, including those for revolving funds. If during the fiscal year, the amount is collected, move the amount to line 3D1a, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. *For expired accounts:* For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a

Entry	Description
	negative, the decrease in reimbursable receivables. Also include, as a negative, receivables written off. *For unexpired and expired accounts:* Federal agencies should only write-off accounts receivable from a Federal source under limited circumstances. Those circumstances include: denial from Congress on requests for appropriations in order to satisfy the accounts receivable (supplemental or deficiency appropriations) or if a write-off is recommended by the Chief Financial Officer Council's Intragovernmental Dispute Resolution Committee (refer to Treasury Financial Manual Bulletin 2007-03 titled Intragovernmental Business Rules) or OMB. If the Federal agency is permitted to write-off account receivables from a Federal source, this action reduces the total budgetary resources available in the TAFS. If sufficient budgetary resources are not available to cover the obligations incurred in the TAFS, refer to section 145 of OMB Circular No. A-11 for further action to take.
2. Change in unfilled customer orders (+ or –):	
a. Advance received	*For unexpired accounts:* Amount of increase (+) or decrease (–) from October 1 in *unfilled orders* on hand *accompanied by an advance.* During the fiscal year, as orders are filled, move the amounts earned to line 3D1a, above. For annual accounts and the last year of multi-year accounts, amounts on this line should reflect *obligated amounts* only on the September 30 report. For no-year accounts, amounts on this line may remain unobligated on the September 30 report. See section 130.9 for further details on Economy Act transactions involving different periods of availability. *For expired accounts:* Amount of decrease (–) from October 1 in *unfilled customer orders* on hand *accompanied by an advance.* During the fiscal year, as orders are filled, move the amounts earned to line 3D1a, above. *For unexpired and expired accounts:* To return a cash advance received in a prior fiscal year, obligate and outlay the advance in the current fiscal year.
b. Without advance from Federal sources	*For unexpired accounts:* Amount of increase (+) or decrease (–) from October 1, in unfilled orders on hand from other Federal Government accounts, that are valid obligations of the ordering account and are *not* accompanied by an advance. During the fiscal year, as orders are filled, move the amounts earned to line 3D1b, above. For annual accounts and the last year of multi-year accounts, amounts on this line should reflect *obligated amounts* only on the September 30 report. For no-year accounts, amounts on this line may remain unobligated on the September 30 report. See section 130.9 for further details on Economy Act transactions involving different periods of availability. *For expired accounts:* Amount of decrease (–) from October 1, in unfilled customer orders on

Entry	Description
	hand from other Federal Government accounts that are valid obligations of the ordering account and are *not* accompanied by an advance. During the fiscal year, as orders are filled, move the amounts earned to line 3D1b, above.
3. Anticipated for rest of year	*For unexpired accounts:* Amount of the current estimate of anticipated collections (for example, anticipated orders from Federal sources or anticipated refunds) expected for the remainder of the year. No amount should be on this line on the September 30 report. For direct loan financing accounts, include a current estimate for the rest of the year of the loan subsidy anticipated from the program account. Deposit advances (as defined in section 20.11) without orders from Federal customers in budget clearing account F3885 "Undistributed intergovernmental payments" until an order is received. Deposit advances without orders from non-Federal customers in deposit fund X6500 "Advances without orders from non-Federal sources." OMB must approve all exceptions.
4. Previously unavailable:	*For unexpired accounts:* *Previously precluded or unappropriated.*—Amount of offsetting collections collected in the previous year but precluded from obligation or was unappropriated in a previous fiscal year. Include the amounts expected to become available pursuant to law during the fiscal year on this line. *Previously temporarily reduced.*—Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law taken from more than one account, and the agency head or other Executive Branch official was authorized to distribute the reduction to affected accounts. Include the amounts on this line in the fiscal year in which the amount is needed.
5. Expenditure transfers from trust funds:	
a. Collected	*For unexpired accounts:* Amount of expenditure transfers from a trust fund account to a Federal fund account, pursuant to appropriations or other laws, to fund the activities of an agency that are (or would be) normally funded in a Federal fund account. In exceptional cases, this includes expenditure transfers from a Federal fund account to a trust fund account. For example, one exception to this rule is Social Security Administration's Limitation on Administrative Expenses where the expenditure transfers are from general or trust fund accounts to a trust fund account. Another exception to this rule is for credit reform where the expenditure transfers are from (1) the program account to a financing account or (2) financing account to a liquidating account where the source of the funding for either situation is derived from trust fund receipts. *Exceptions must be pre-approved by OMB.*

Entry	Description
	For expired accounts: Amount of collections of receivables included in either the net unpaid obligations or the unobligated balances brought forward, if any. *For unexpired and expired accounts:* Exclude collections from trust fund accounts for reimbursable work. Include such reimbursable amounts on lines 3D1, 3D2, or 3D3, as appropriate. Exclude any adjustments to current year beginning balances recorded on lines 1B and 12B2.
b. Change in receivables from trust funds	*For unexpired accounts:* Amount of expenditure transfers from a trust fund account to a Federal fund account is *authorized by law, but not collected*, to date during the current fiscal year. If during the fiscal year, the amount is collected, move the amount to line 3D5a, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. *For expired accounts:* For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative, the decrease in reimbursable receivables. Also, include, as a negative, receivables written off. *For unexpired and expired accounts:* Amounts reported as an accounts receivable from a trust fund must be accompanied by a valid accounts payable from that trust fund account. These receivables should be included in either the net unpaid obligations or the unobligated balances at the end of the fiscal year. Federal agencies should only write-off accounts receivable from a Federal source under limited circumstances. Those circumstances include: denial from Congress on requests for appropriations in order to satisfy the accounts receivable (supplemental or deficiency appropriations) or if a write-off is recommended by the Chief Financial Officer Council's Intragovernmental Dispute Resolution Committee (refer to Treasury Financial Manual Bulletin 2007-03 titled Intragovernmental Business Rules) or OMB. If the Federal agency is permitted to write-off accounts receivables from a Federal source, this action reduces the total budgetary resources available in the TAFS. If sufficient budgetary resources are not available to cover the obligations incurred in the TAFS, refer to section 145 of OMB Circular No. A-11 for further action to take.
c. Anticipated	*For unexpired accounts:* Amount of expenditure transfers anticipated for the remainder of the year. No amount should be on this line on the September 30 report.

Entry	Description
Line 4. Nonexpenditure transfers, net:	
A. Actual transfers, budget authority (+) or (–)	*For unexpired and expired accounts:* Net amount of budget authority enacted for the fiscal year that is *actually* transferred to (+) or from (–) the account under existing legislation. Normally, the entries on this line are transfers of *new budget authority*; however, there is an exception. The transfers of *unobligated balances* that result from legislation that changes the *purpose* for which the balances are available are included on this line. Transfers of all other *balances* are included on line 4C. The entries on this line are nonexpenditure transfers between two Federal Government accounts. (The treatment of nonexpenditure transfers is explained in section 20.4(j) (4).) NOTE: All transfers between Federal funds (accounts that are not trust funds; i.e., general, special, management, and revolving funds) and trust funds are treated as expenditure transfers. See section 20.4(j) (4) for additional information. In the footnotes, list the individual accounts from which and to which the *transfers have been made*. Specify the amount actually transferred to (+) and from (–) each account.
B. Anticipated transfers, budget authority (+) or (–)	*For unexpired accounts:* Include the current estimate of any new budget authority anticipated to be transferred to (+) or from (–) the account under existing legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Transfers that have been made and included on line 4A. • Anticipated transfers that require legislation. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on lines 4A and 4B in a footnote.
C. Actual transfers, unobligated balances (+) or (–)	*For unexpired accounts:* Net amount of any unobligated balance that is *actually transferred* to (+) or from (–) the account. *For expired to unexpired accounts:* Net amount of any expired unobligated balance *actually transferred* from (–) an expired account to (+) an unexpired account resulting from legislation other than newly enacted authority that extends the period of availability of general funds. Also, amount of any expired expenditure transfers receivable *transferred* from (–) an expired account to (+) an unexpired account.

Entry	Description
	For expired to expired accounts: Net amount of any unobligated balance *actually transferred* to (+) or from (–) the account. Include allocation transfers for expired accounts. No amount should be on this line without prior approval of OMB. *For unexpired accounts, expired to unexpired accounts, and expired to expired accounts:* Do not include transfers required or permitted by law from trust funds to Federal funds. (These transfers will be reported on line 3D5.) The transactions included on this line are transfers of balances other than balances of new budget authority. Do not include transfers of balances that result from legislation that changes the *purpose* for which the balances are available. Transfers of such balances should be included on line 4A. The transactions included on this line are nonexpenditure transfers. NOTE: The treatment of expenditure transfers is explained in section 20.4(j) (4). In the footnotes, list the individual accounts from which and to which the *transfers have been made*. Specify the amount actually transferred to (+) and from (–) each account.
D. Anticipated transfers, unobligated balances (+) or (–)	*For unexpired accounts:* Amount of the current estimate of any balances, other than balances of new budget authority, *to be transferred* to (+) or from (–) the account under *existing* legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Anticipated transfers to fund activities of a Federal agency that require legislation. • Transfers required or permitted by law from trust funds to Federal funds; these are reported on line 3D5.
Line 5. Temporarily not available pursuant to Public Law ____ (–)	*For unexpired accounts:* Amount of budgetary resources temporarily not available for obligation pursuant to a specific provision in law. This is a negative amount. The following paragraphs describe the application of the above principles to specific circumstances: • *Appropriations provided by a part-year continuing resolution.*—When an account is operating under a part-year continuing resolution, include, as a negative amount, the portion of the annualized level included on line 3A1 that is not available for obligation under the terms of the continuing resolution.

Entry	Description

- Reductions. —
  - — Amount of enacted account-specific rescissions and cancellations including rescissions and cancellations of new appropriations, borrowing authority, contract authority, and prior year balances.
  - — Amount of across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be reduced from more than one account and authorizes the agency head or other Executive Branch official to distribute the reduction to affected accounts.

  This applies to only temporary reductions for appropriations from appropriated receipts in special and trust funds and spending authority from offsetting collections not returned to the general fund of the Treasury but available for subsequent appropriation. Include amounts returned to unavailable receipt accounts.

  When completing an apportionment you must use a line split to identity the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), S (for spending authority from offsetting collections), or U (for unobligated balance).

- *Deferral.*—When a congressionally-initiated deferral of an amount that has been appropriated is enacted, include the amount not available for obligation, as a negative amount, on this line.

- *Appropriations contingent upon authorizing legislation.*—Include amount not available for obligation until specifically authorized by another law, as a negative amount. Cite the appropriations act in the stub. The full amount of the appropriation is on line 3A1.

- *Emergency, contingent appropriations.*—Include amount representing the funds the President has not yet designated as emergency requirements, as a negative amount. The full amount of the appropriation is on line 3A1. Do not include this amount on the September 30 SF 133.

- *Investments in zero coupon bonds.*—Include investments in zero coupon bonds. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation.

In addition, other amounts appropriated for emergencies may also be included if an emergency must exist to make the funds available for obligation, even if a Presidential declaration is not required.

- *Appropriated receipts*.—For the September 30 SF 133, include the portion of receipts collected in the current fiscal year in special or trust funds that is precluded from obligation due to a

Entry	Description
	provision of law. The total amount of new receipts is included on line 3A1. Generally applies to indefinite appropriations. If your agency has a Treasury Appropriation Fund Symbol with a definite appropriation, contact your OMB representative. • *Limitation on revolving fund*.—Include amount not available for obligation due to a provision of law, such as a limitation on administrative expenses or construction. • *Obligation limitations*.—Include amount by which an obligation limitation reduces the budget resources temporarily (the budget resources remain available after the expiration of the obligation limitation). In addition, include recoveries of prior year obligations and cash refunds of previously appropriated receipts that are available for a subsequent appropriation and are returned to unappropriated receipts. Identify the public law containing the restriction in a footnote. The Impoundment Control Act (2 U.S.C. 683–684) and the Antideficiency Act (31 U.S.C. 1512) are not valid authorizing citations for this line. When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), S (for spending authority from offsetting collections), or U (for unobligated balance).
Line 6. Permanently not available:	
A. Cancellations of expired and no-year accounts (–)	*For unexpired accounts:* Amount of any budgetary resources canceled in no-year accounts pursuant to 31 U.S.C. 1555 or withdrawn. *For expired accounts:* For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these unobligated balances as canceled, remove the amounts from lines 9 or 10 and include them here, as a negative. To report obligated balances as canceled, include the amount on line 2A, as a positive, and on this line as a negative.
B. Enacted reductions (–)	*For unexpired accounts:* Amount of enacted account-specific rescissions and cancellations including rescissions and cancellations of new appropriations, borrowing authority, contract authority, and prior year balances. Amount of across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be reduced from more than one account and authorizes the agency head or other Executive Branch official to distribute the reduction to affected accounts. This line applies to only permanent reductions for budgetary resources returned to the general fund of the Treasury and not available for subsequent appropriation. *When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), S (for spending authority from offsetting collections), or U (for unobligated balance).*

Entry	Description
	For expired accounts: Amount of balances that have been canceled due to reappropriation. Adjustments may be made to reflect enacted reductions that should have been but were not made against an account when it was unexpired. Newly enacted reductions may not be made against an expired account. Identify the public law containing the restriction in a footnote.
C. Capital transfers and redemption of debt (–)	*For unexpired accounts:* *Capital transfers and Redemption of debt (also known as "liquidation of debt").* Amount transferred to the general fund of the Treasury; that is, deposited to Treasury receipt accounts for "Earnings of Government-owned enterprises" or "Repayments of capital investment, Government-owned enterprises." These are non-expenditure nonexpenditure transfers. Include interest obligations on line 8. For principal repayments to Treasury for debt outstanding, use collections on line 3D and other budgetary resources first to cover interest obligations on line 8. Include the balance to repay principal as a negative on this line. If the recovered amount on line 2 above was obligated against indefinite borrowing authority that was borrowed, then include the repayment to Treasury of the principal amount borrowed, as a negative, on this line. Enter the obligation and payment of interest to Treasury on lines 8 and 19A respectively. *When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), S (for spending authority from offsetting collections), or U (for unobligated balance).*
D. Other authority withdrawn (–)	*For unexpired accounts:* *Excess appropriations to liquidate debt and contract authority.*—Include amounts withdrawn. *Spending authority from offsetting collections to liquidate contract authority.*—Include cash amounts that are not available for new obligations. *Indefinite authority*.—On the September 30 report, include on this line the amounts of indefinite appropriations except for available special and trust fund receipts, borrowing authority and contract authority included on lines 3A, 3B and 3C that are *not* needed to cover obligations. *Borrowing authority*.—Do not include repayments of amounts borrowed from Treasury or other entities. Include repayments of principal on line 6C. Include obligations to pay interest on line 8. *Portion substituted for borrowing authority*.—Include the portion of appropriations or spending authority from offsetting collections used to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. *Portion substituted for contract authority*.—Include the portion of spending authority from offsetting collections used to replace the contract authority initially obligated against. The spending authority from offsetting collections may include cash, receivables from Federal sources, and unfilled customer orders.

Entry	Description
	If the recovered amount on line 2A above was obligated against indefinite borrowing authority that was *not* borrowed or *unfunded* contract authority, then include the actual amount recovered, as a negative, on this line. *When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), or S (for spending authority from offsetting collections).*
E. Pursuant to Public Law ___ (–)	Identify the public law containing the restriction in a footnote. *For unexpired accounts:* Include amounts appropriated that are not available for new obligations pursuant to the appropriations act. For example, appropriations to liquidate contract authority.
F. Anticipated rest of year (–)	*For unexpired accounts:* Estimates of amounts anticipated to be canceled or withdrawn during the remainder of the year for reasons specified for lines 6A, 6C and 6D under existing laws. Do not include pending rescissions. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. No amount should be on this line on the September 30 report.
Line 7. Total budgetary resources	Sum of amounts shown on lines 1 through 6. For SF 132, this amount represents the total amount of budgetary resources available for apportionment in the fiscal year for which the schedule is being submitted. *For unexpired accounts:* This amount will differ from the amount on line 7 on the latest SF 132 to the extent that individual amounts have changed that do not require the submission of a reapportionment request (see section 120.37). *For expired accounts:* This amount is not available for new obligations. See sections 130.10–130.13 for additional instructions.

In a limited number of cases, the following guidance applies to specific Treasury Appropriation Fund Symbols. Affected amounts are included on line 3A1:

- Appropriations of Specific Amounts of which "Not to Exceed" a Portion Remains Available Beyond the Remainder of the Appropriation. In a limited number of cases, the basic amount of the appropriation is available for one year (or for a fixed amount of time) and the law permits "not to exceed" or "up to" a specific amount to be available for a longer period of time or until expended.

  Initial apportionment requests for these accounts should display the maximum possible amount in the Treasury account with the extended availability and the balance in the Treasury account with the lesser time availability (on this line).

  Note.—Treasury will warrant the full amount in the one-year account. You should move the funds to the account with the extended fund availability using the SF 1151. This movement of funds is not a transfer because the original appropriation is for the extended availability, even though the SF 1151 is titled "Nonexpenditure Transfer of Funds."

If you subsequently determine that the maximum amount is not needed in the account with the extended availability, you should submit a reapportionment request proposing to transfer the funds to the account of lesser time availability. Show this transfer on line 4A "Actual transfers, budget authority," 4B "Anticipated transfers, budget authority," 4C "Actual transfers, unobligated balances" or 4D "Anticipated transfers, unobligated balances," as appropriate.

After OMB has approved the transfer, use the SF 1151 to transfer the funds to the account of lesser time availability. Such transfers are irreversible. That is, once the availability of funds is reduced, subsequent apportionments and SF 1151 may not extend the availability of these funds.

The SF 133 should reflect the treatment of these amounts as shown on the latest apportionment approved by OMB.

- *Interest on the public debt.* For the Interest on the Public Debt account, "interest" includes both the interest paid and the change in interest payable for public issues of Treasury debt securities and for certain special issues (i.e., Government account series) of Treasury debt securities—zero coupon bonds and DoD's Education Benefits Fund, Military Retirement Fund, Defense Cooperation Fund, and Medicare-Eligible Retiree Health Care Fund. The change in interest payable will be warranted when paid.

B. *Application of Budgetary Resources—Format of SF 132*

Use the entries in the following table to prepare the "Application of Budgetary Resources" section of the SF 132, Apportionment and Reapportionment Schedule (for unexpired accounts only).

APPLICATION OF BUDGETARY RESOURCES

Entry	Description
Line 8. Apportioned:	When both Category A and Category B are used, insert a descriptive label on the Category A line to distinguish the amounts apportioned by quarter from the remaining amounts. All apportioned amounts by activity, project or object (category B) should be positive. Amounts apportioned by time period (category A) may be negative in order to reduce the cumulative amounts available. (See exhibit 121M).
Category A	Amount requested to be apportioned for each calendar quarter in the fiscal year. Apportionments previously approved are not subject to change after the close of the period for which the apportionment is made. Where the cumulative amount apportioned through the current period is to be decreased below the cumulative amount previously apportioned through the end of the preceding period, revise the amount apportioned for the current period to a negative amount. (See exhibit 121M). When appropriations are provided retroactively, place the amount in the period in which the appropriation was provided and include a footnote to indicate the period for which the appropriation was provided. For example, if there was a funding hiatus and a continuing resolution provided appropriations in the second quarter to pay essential workers

Entry	Description
	(such as emergency room staff at a VA hospital) for work done in the first quarter, place the amount appropriated on the line for the second quarter and footnote the amount, as follows: P.L. XXX-XXX provided funding for the first quarter. The apportionment includes a column for Memo obligations. When submitting a reapportionment request for a TAFS that has incurred new obligations, include the obligations in this column. The obligations should agree with the obligations reported on the most recent SF 133 if more recent amounts are not available. You should provide the memo obligations for Category A or Category B apportioned amounts. You must include the date of the obligations on the same row as the BEA Category (See exhibit 121G).
Category B	Amounts requested to be apportioned on a basis other than calendar quarters, such as time periods other than quarters, activities, projects, objects, or a combination thereof (See section 120.8). Include in the stub column a line number (8B1 through 8Bn) and a description of the activity, project, or object for which funds are requested. Coordinate the line number assigned to each number with the preparer of the SF 133 so that the same line numbers are used. Once a number is assigned, it should be reserved for that activity, project, or object only. Also, include the amount of obligations incurred for each Category B item as of the latest SF 133, if more recent amounts are not available. The periods covered by such amounts should be the same as the period for Category A, and identified in the footnote. Where the SF 132 has insufficient space to list the categories by which apportionments are to be made or where apportionments are to be made both by activities (or projects or objects) and by time periods within the fiscal year, add lines to the SF 132. Other than adding lines to Category B, *changes should not be made to the SF 132 without prior approval by OMB*).
Category C	When you plan to obligate amounts appropriated in a no-year or multi-year TAFS over more than one fiscal year, you may propose to apportion funds planned for obligation after the current fiscal year into a subsequent fiscal year. Include the amount planned for obligation after the current fiscal year on line 8C, apportioned for future fiscal years. OMB will *not* apportion annual TAFSs and the last year of multi-year TAFSs for periods longer than one fiscal year, as this would be an impoundment (i.e., a deferral during the year, and a de-facto rescission after the funds expire).
Line 9. Withheld pending rescission	For instructions on the use of this line, see section 112.3.
Line 10. Deferred	For instructions on the use of this line, see section 112.3.
Line 11. Unapportioned balance of revolving fund	This line will be used primarily for public enterprise funds, intragovernmental revolving funds, and trust funds that are subject to apportionment. For these types of funds, include the amount of budgetary resources that is not apportioned (made available for obligation) in order to preserve a portion of the fund's capital so it can continue to revolve and be available for its authorized purposes (see section 20.13(a)).

Entry	Description
	Typically, in a guaranteed loan financing account, include the uninvested funds that serve as a reserve against loan guarantee defaults on this line. Do not include amounts deferred or proposed for rescission on this line. The amount on this line should equal the amount shown on line 7, less the amounts apportioned on line 8, less any amounts withheld pending rescission on line 9 or deferred on line 10.
Line 12. Total status of budgetary resources	Sum of the amounts on lines 8, 9, 10, and 11. This amount equals the amount reported on line 7.

C. *Status of Budgetary Resources—Format of SF 133*

Use the entries in the following table to prepare the "Status of Budgetary Resources" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority).

STATUS OF BUDGETARY RESOURCES

Entry	Description
Line 8. Obligations incurred:	You are required to report direct and reimbursable obligations. See section 83.5 for instructions on classifying obligations as direct versus reimbursable. In general, "direct obligations" means obligations not financed from reimbursements. In general, "reimbursable obligations" means obligations financed by offsetting collections that are payment to the performing account for goods and services provided to the ordering entity. *For unexpired accounts:* Amount of obligations incurred from the beginning of the current fiscal year to the end of the reporting period, net of refunds received that pertain to obligations incurred in the current year. Include upward adjustments of prior obligations. Do not include cancellations or downward adjustments of obligations due to recoveries of prior year unpaid obligations reported on line 2. (See section 20.5 for a discussion of the concept of obligations.) *For expired accounts:* Amount of upward adjustments of obligations previously incurred. Upward adjustments are limited by the amount available for adjustments. No new obligations may be incurred against expired or canceled accounts. (See sections 130.10–130.14 on expired and canceled appropriations.) For downward adjustments, see line 2. *For unexpired and expired accounts:* Exclude any adjustments to current year beginning balances recorded on lines 1B and 12A2.

Entry	Description
A. Direct:	
1. Category A	Amount of direct obligations incurred against amounts apportioned under category A on the latest SF 132. Category A may sometimes include program categories.
2. Category B [program 1] Category B [program 2 / program category 1] Category B [program 3 / program category 2]	Amount of direct obligations incurred against amounts apportioned under category B on the latest SF 132. Use a separate line for each administrative subdivision identified on the latest SF 132. Category B detail information describes the type of activity, project, etc. apportioned on line 8 of the latest SF 132. Four alphanumeric characters are used to identify subcategories.
3. Exempt from apportionment	Amount of direct obligations incurred for accounts that are exempt from apportionment.
B. Reimbursable:	
1. Category A	Amount of reimbursable obligations incurred against amounts apportioned under category A on the latest SF 132. Category A may sometimes includes program categories.
2. Category B [program 1] Category B [program 2 / program category 1] Category B [program 3 / program category 2]	Amount of reimbursable obligations incurred against amounts apportioned under category B on the latest SF 132. Use a separate line for each administrative subdivision identified on the latest SF 132. Category B detail information describes the type of activity, project, etc. apportioned on line 8 of the latest SF 132. Four alphanumeric characters are used to identify subcategories.
3. Exempt from apportionment	Amount of reimbursable obligations incurred for accounts that are exempt from apportionment.
Line 9. Unobligated balance	
A. Apportioned:	*For unexpired accounts:*
1. Balance, currently available	Include the balances of amounts apportioned under category A and category B, as well as amounts apportioned by letter from OMB or by OMB bulletin. Do not include amounts apportioned but still anticipated. For amounts apportioned under category A, include the difference between the amount apportioned through the current period and the obligations incurred under those apportionments through the end of the reporting period. Where category B apportionments are based upon time periods within the year, include the difference between the cumulative amount apportioned through the current period and the obligations incurred under those apportionments through the end of the reporting period. Where funds are apportioned for the year as a whole, this entry will equal the total amount thus apportioned less the obligations incurred under those apportionments through the end of the reporting period. When required by OMB, show the portion of the unobligated balance that represents commitments outstanding in a footnote.
2. Apportioned for subsequent periods	*For unexpired accounts:* Amount apportioned by time periods (in both categories A and B) and for future fiscal years (category C) that are available for obligation in

Entry	Description
	that reporting period, as approved on the latest SF 132. This includes both actual and anticipated amounts available in the subsequent periods.
3. Anticipated (+ or –)	*For unexpired accounts:* Amount anticipated and apportioned year-to-date on the latest SF 132 less amounts no longer anticipated. The amount on this line should equal the sum of the apportioned amounts on lines 2B, 3A2, 3D3, 3D5c, 4B, 4D, and 6F that are still anticipated for the current period. The amounts not apportioned on these lines should be on line 10C. Although this amount is not immediately available for obligation, it will become available for obligation upon realization (e.g. upon actual receipt of the anticipated collection).
B. Exempt from apportionment	
1. Balance, currently available	*For unexpired accounts:* Amount of the total unobligated balance available for obligation (including commitments) in accounts exempt from apportionment.
2. Anticipated (+ or –)	*For unexpired accounts:* Amount anticipated in accounts exempt from apportionment.
Line 10. Unobligated balance not available:	
A. Deferred	*For unexpired accounts:* Amount deferred as shown on line 10 on the latest SF 132. This is the amount of budgetary resources being set aside for possible use at a later date (pursuant to a special message transmitted, or to be transmitted, by the President), before the funds expire.
B. Withheld pending rescission	*For unexpired accounts:* Amount withheld pending rescission as shown on line 9 on the latest SF 132 (pursuant to a special message transmitted, or to be transmitted, by the President).
C. Other	*For unexpired accounts:* For other balances not available for obligation, include the unobligated balances of amounts that are not included on lines 8, 9, or 10 on the latest SF 132. Include amounts on lines 2 and 3D that exceed apportioned amounts. This entry will include any excess of budgetary resources realized over amounts estimated to become available for obligation on the latest SF 132, when such amounts exceed the parameters set forth in section 120.37. (Do not use this line for accounts and funds that are not subject to apportionment. Unobligated balances of such accounts will be reported on line 9B.) This balance will be reported as a negative amount if budgetary resources (including estimates through the end of the year) are less than reported on the latest SF 132. If, on the September 30 report, a negative amount is reported on this line, the amount must be offset by remaining balances. For accounts that are apportioned, the offset must be against apportioned funds reported on line 9A1 or an apparent violation of the Antideficiency Act (31 U.S.C. 1341, 1342, or 1517) will have occurred. For accounts

Entry	Description
	exempt from apportionment, the offset must be against line 9B or an apparent violation of the Antideficiency Act will have occurred. Unrealized budgetary resources will, in effect, be considered an offset against amounts apportioned (line 9A) or exempt from apportionment (line 9B) rather than an unobligated balance not available for obligation (line 10). This line will be used for the un-apportioned balance of public enterprise and intragovernmental revolving funds, as well as trust funds that are subject to apportionment. For these types of funds, include the amount shown on line 11 on the latest SF 132 (un-apportioned balance) plus the amount of upward adjustments in income until a reapportionment request is approved. *Appropriated receipts*. For the September 30 report, exclude from this line the portion of receipts collected in the current year in special or trust funds that is *precluded from obligation* due to a provision of law. The full amount appropriated is on line 3A1. The portion precluded from obligation is subtracted on line 5. Generally applies to indefinite appropriations. If your agency has a Treasury Appropriation Fund Symbol with a definite appropriation, contact your OMB representative. *For expired accounts:* Amount of expired unobligated balances that have not been used for valid adjustments. (These amounts are no longer available for new obligations.) The amount on line 10C should be the difference between line 7 and line 8. For the final September 30 report before an account will be closed, the amount on this line should be zero.
Line 11. Total status of budgetary resources	*For unexpired and expired accounts:* Sum of the amounts on lines 8 through 10. This amount equals the amount on line 7.

D. *Change in Obligated Balances—Format of SF 133*

Use the entries in the following table to prepare the "Change in Obligated Balances" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority). Lines 12 through 18 are required for all quarters.

CHANGE IN OBLIGATED BALANCES

Entry	Description
Line 12. Obligated balance, net, start of year:	
A. Unpaid obligations, start of year:	
1. Unpaid obligations, brought forward, October 1 (+)	*For unexpired and expired accounts:*

Entry	Description
	Unpaid obligations as of October 1of the current fiscal year. This amount will equal the sum of the beginning balance of (a) accounts payable and (b) undelivered orders. This line should equal line 18A of the final SF 133 for the preceding year.
2. Adjustment to unpaid obligations, brought forward, October 1(+ or -)	*For unexpired and expired accounts:* Changes to unpaid obligations that occurred in a prior fiscal year and that were not recorded in the unpaid obligations as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's FMS will review the FBWT component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a TAFS that round to $1 million or more. This range includes amounts above $500,000. Agencies should generally exclude reclassifications from clearing accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years that were not outlayed as reported on line 2A; • Upward adjustments of obligations previously incurred as reported on line 8; and • Refunds collected from prior year paid obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on line 3D1a. On the SF 133, material and non-material adjustments to the unpaid obligations as of October 1 of the current fiscal year should be included on line 12B2. On the Statement of Budgetary Resources, material amounts are part of the unpaid obligations as of October 1 of the current fiscal year because the prior year's financial statements are restated. NOTE: Agencies must separately report adjustments in their FACTS II submissions.
B. Uncollected customer payments from Federal sources, start of year:	
1. Uncollected customer payments from Federal sources, brought forward, October 1 (–)	*For unexpired and expired accounts:* Uncollected customer payments from other Federal Government accounts as of October 1of the current fiscal year. This amount will equal the sum of the beginning balance of (a) accounts receivable from

Entry	Description
	other Federal Government accounts and the non- Federal (but only if specifically authorized by law to obligate against orders from the non-Federal) and (b) unfilled customers' orders from other Federal Government accounts not accompanied by an advance, unless specifically authorized by law to obligate against orders from the non-Federal. This line should equal line 18B of the final SF 133 for the preceding year.
2. Adjustment to uncollected customer payments from Federal sources, brought forward, October 1 (+ or –)	*For unexpired and expired accounts:* Changes to uncollected customer payments from Federal sources that occurred in a prior fiscal year and that were not recorded in the uncollected customer payments from Federal sources as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's FMS will review the FBWT component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a TAFS that round to $1 million or more. This range includes amounts above $500,000. Agencies should generally exclude reclassifications from clearing accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years that were not outlayed as reported on line 2A; • Upward adjustments of obligations previously incurred as reported on line 8; and • Refunds collected from prior year paid obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on line 3D1a. On the SF 133, material and non-material adjustments to the unpaid obligations as of October 1 of the current fiscal year should be included on line 12B2. On the Statement of Budgetary Resources, material amounts are part of the unpaid obligations as of October 1 of the current fiscal year because the prior year's financial statements are restated. NOTE: Agencies must separately report adjustments in their FACTS II submissions.
Line 13. Obligations incurred (+)	*For unexpired accounts:* Amount of obligations incurred from the beginning of the current fiscal year to the end of the reporting period, net of refunds received that pertain to obligations incurred in the current year.

Entry	Description
	Include upward adjustments of prior obligations. Do not include cancellations or downward adjustments of obligations due to recoveries of prior year obligations reported on line 4. (See section 20.5 for a discussion of the concept of obligations.) *For expired accounts:* Amount of upward adjustments of obligations previously incurred. Upward adjustments are limited by the amount available for adjustments. No new obligations may be incurred against expired or canceled accounts. (See sections 130.10–130.14 on expired and canceled appropriations.) For downward adjustments, see line 4. *For unexpired and expired accounts:* Includes both direct and reimbursable obligations. Equals amount on line 8. Exclude any adjustments to current year beginning balances recorded on lines 1B and 12A2.
Line 14. Gross outlays (–)	*For unexpired and expired accounts:* Amount of obligations paid. Includes payments in the form of cash (currency, checks, or electronic fund transfers) and in the form of debt instruments (bonds, debentures, notes, or monetary credits) when they are used to pay obligations. Include refunds of payments made in the current year. For the Interest on the Public Debt account, "interest" includes both the interest paid and the change in interest payable for public issues of Treasury debt securities and for certain special issues (i.e., Government account series) of Treasury debt securities (see section 20.6). This is also known as "Disbursements." Equals amount on line 19A, with opposite sign. Exclude any adjustments to current year beginning balances recorded on lines 1B and 12A2.
Line 15. Obligated balance transfers, net:	
A. Actual transfers, unpaid obligations (+ or –)	*For unexpired and expired accounts:* Unpaid obligations from other Federal Government accounts actually transferred to (+) or from (–) the account during the current fiscal year. In the footnotes, list the individual accounts from which and to which the transfers have been made. Specify the amount to be transferred to (+) and from (–) each account.
B. Actual transfers, uncollected customer payments from Federal sources (+ or –)	*For unexpired and expired accounts:* Uncollected customer payments from other Federal Government accounts actually transferred to (+) or from (–) the account during the current fiscal year. In the footnotes, list the individual accounts from which and to which the transfers have been made. Specify the amount to be transferred to (+) and from (–) each account.
Line 16. Recoveries of prior year unpaid obligations, actual (–)	*For unexpired and expired accounts:* Amount of any cancellations or downward adjustments of obligations incurred in *prior fiscal years* that were *not outlayed.* Include the

Entry	Description
	adjustments since October 1 of the current year. Show the actual recoveries, as shown on the SF 133, on reapportionment requests. Include recovered amounts obligated against indefinite borrowing authority that was borrowed. Then subtract the same amount on line 6C. Include recovered amounts obligated against *indefinite* borrowing authority that was *not* borrowed or *unfunded* contract authority. Then subtract the same amount on line 6D. Exclude recovered amounts obligated against indefinite contract authority that was funded. Do not subtract the same amount on line 6D. Exclude any cancellations or downward adjustments of obligations incurred and outlayed in prior fiscal years since they must be accompanied by cash refunds. Cash refunds collected (i.e., recoveries of prior year obligations incurred and outlayed in prior fiscal years) are to be included on line 3D1a. For upward adjustments, see line 8. Exclude recoveries of current year obligations, which will be netted against obligations on line 8. If a recovery is significant, you may want to explain in a footnote. Exclude any adjustments to current year beginning balance recorded on lines 1B and 12A2. For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these obligated balances as canceled, include the amount to be canceled, as a positive. Then, subtract the same amount on line 6A, *Cancellations of expired and no-year accounts*. Equals amount on line 2A, with opposite sign.
Line 17. Change in uncollected customer payments from Federal sources	*For unexpired accounts:* Amount of reimbursements from another Federal Government account that is *earned, but not collected*, to date during the current fiscal year, including those for revolving funds. If during the fiscal year, the amount is collected, move the amount to line 3D1a, above. Amount of expenditure transfers from a trust fund account to a Federal fund account is *earned, but not collected*, to date during the current fiscal year. If during the fiscal year, the amount is collected, move the amount to line 3D5a, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. Amount of increase (+) or decrease (–) from October 1, in unfilled orders on hand from other Federal Government accounts, that are valid obligations of the ordering account and are *not* accompanied by an advance. During the fiscal year, as orders are filled, move the amounts earned to line 3D1b, above. For annual accounts and the last year of multi-year accounts, amounts on this line should reflect *obligated amounts* only on the September 30

Entry	Description
	report. For no-year accounts, amounts on this line may remain unobligated on the September 30 report. See section 130.9 for further details on Economy Act transactions involving different periods of availability. *For expired accounts:* For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative, the decrease in reimbursable receivables. Also, include, as a negative, receivables written off. Amount of decrease (–) from October 1, in unfilled customer orders on hand from other Federal Government accounts that are valid obligations of the ordering account and are *not* accompanied by an advance. During the fiscal year, as orders are filled, move the amounts earned to line 3D1b, above. Equals the sum of amounts on lines 3D1b, 3D2b, and 3D5b, with opposite sign.
Line 18. Obligated balance, net, end of period:	
A. Unpaid obligations (+)	*For unexpired and expired accounts:* Amount of undelivered orders that have not been prepaid and amount owed by the account on the basis of invoices or other evidence of receipts of goods and services being carried forward to the subsequent period. For the final September 30 report before an expired account will be closed, the amounts on these lines should be zero.
B. Uncollected customer payments from Federal sources (–)	*For unexpired and expired accounts:* Amount of accounts receivable from other Federal Government accounts and the non-Federal (but only if specifically authorized by law to obligate against orders from the non-Federal) and amount of unfilled customer orders from other Federal Government accounts not accompanied by an advance being carried forward to the subsequent period. Do not include refunds receivable. Do not include unfilled customer orders from other Federal Government accounts accompanied by an advance or from non-Federal sources with an advance. See line 3C. For the final September 30 report before an expired account will be closed, the amounts on these lines should be zero.

E. *Net Outlays—Format of SF 133*

Use the entries in the following table to prepare the "Net Outlays" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority). Lines 19A and 19B are required for all quarters.

NET OUTLAYS

Entry	Description
Line 19. Net Outlays:	
A. Gross Outlays (+)	*For unexpired and expired accounts:* Amount of obligations paid. Includes payments in the form of cash (currency, checks, or electronic fund transfers) and in the form of debt instruments (bonds, debentures, notes, or monetary credits) when they are used to pay obligations. Include refunds of payments made in the current year. For the Interest on the Public Debt account, "interest" includes both the interest paid and the change in interest payable for public issues of Treasury debt securities and for certain special issues (i.e., Government account series) of Treasury debt securities (see section 20.6). Exclude any adjustments to current year beginning balances recorded on lines 1B and 12A2. This is also known as "Disbursements." This is a positive amount.
B. Offsetting collections (–)	Amount of reimbursements from other Federal Government accounts and other collections credited to the account from the beginning of the year to the end of the reporting period. Include refunds of payments originally made in **prior** fiscal years that are received in the **current fiscal year**. Note: Refunds of payments made in the current fiscal year are netted against line 8. This is also known as "Offsetting collections (cash)." This is a negative amount. Exclude any adjustments to current year beginning balances recorded lines 1B and 12B2.

While the above entries include tables to prepare the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority), the Statement of Budgetary Resources is a financial statement that mimics the SF 133 format except that it excludes the adjustment lines 1B, 12A2 and 12B2 as well as includes the following additional lines:

Entry	Description
Line 3E. Subtotal	Sum of lines 3D1a + 3D1b + 3D2a + 3D2b + 3D3 + 3D4 + 3D5a + 3D5b + 3D5c.
Line 8C. Subtotal	Sum of lines 8A1 + 8A2 + 8A3 + 8B1 +8B2 + 8B3.
Line 9C. Subtotal	Sum of lines 9A1 + 9A2 + 9A3 + 9B1 +9B2.
Line12C. Total unpaid obligated balance, net	Sum of lines 12A + 12B.
Line15C. Total unpaid obligated balance transfers, net	Sum of lines 15A + 15B.

Entry	Description
Line18C. Total unpaid obligated balance, net, end of period	Sum of lines 18A + 18B.
Line 19C. Less: Distributed Offsetting receipts	Amounts credited to general, special or trust fund receipt accounts and distributed by agency and function from gross budget authority and outlays to produce net budget authority and outlays. The amounts are not offset at the TAFS-level but at the agency-level. Includes cash proprietary receipts from the public, receipts from intragovernmental transactions, and offsetting governmental receipts. The amount of offsetting receipts that are distributed to agencies and reported in this statement shall agree with the deductions for offsetting receipts as reported in the Budget. Beginning September 30, 2006, the Financial Management Service will publish a new listing to be used by agencies to determine the appropriate distributed offsetting receipt accounts to be used on the Statement of Budgetary Resources (see OMB Circular No A-136 "Financial Reporting Requirements" section 6.7 for further details).
Line 19D. Net Outlays	Sum of lines 19A–19C.

APPENDIX G—CROSSWALK BETWEEN ANTIDEFICIENCY ACT AND TITLE 31 OF THE U.S. CODE

In 1982, Congress reworded and reorganized the language of the Antideficiency Act along with the rest of Title 31 of the United States Code. The intent of Congress was to modernize the language of the Act, without changing its meaning. This appendix presents a crosswalk between the provisions of law that made up the Antideficiency Act before it was modernized and the current language.

THE ANTIDEFICIENCY ACT	TITLE 31—MONEY AND FINANCE
The following contains the provisions of the Antideficiency Act, formerly section 3679 of the Revised Statutes, and section 210 of the General Government Matters Appropriation Act, 1958. (Formerly 31 U.S.C. 665, 665a, and 669.)	The following provides the section in Title 31 that was enacted without substantive change. Revisions to the 1982 law are italicized.
665 Appropriation (a) Expenditures or contract obligations in excess of funds prohibited No officer or employee of the United States shall make or authorize any expenditure from or create or authorize an obligation under any appropriation or fund in excess of the amount available therein: nor shall any such officer or employee involve the Government in any contract or other obligation, or the payment of money for any purpose, in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law.	Section 1341: (a)(1) An officer or employee of the United States Government or the District of Columbia government may not— (A) make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation; (B) involve either government in a contract or obligation for the payment of money before an appropriation is made unless authorized by law; (C) make or authorize an expenditure or obligation of funds required to be sequestered under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985; or (D) involve either government in a contract or obligation for the payment of money required to be sequestered under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.
(b) Voluntary service forbidden No officer or employee of the United States shall accept voluntary service for the United States or employ personal service in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property.	Section 1342: An officer or employee of the United States Government or of the District of Columbia government may not accept voluntary services for either government or employ personal services exceeding that authorized by law except for emergencies involving the safety of human life or the protection of property. This section does not apply to a corporation getting amounts to make loans (except paid in capital amounts) without legal liability of the United States

THE ANTIDEFICIENCY ACT	TITLE 31—MONEY AND FINANCE
	Government. As used in this section, the term "emergencies involving the safety of human life or the protection of property" does not include ongoing, regular functions of government the suspension of which would not imminently threaten the safety of human life or the protection of property.
(c) Apportionment of appropriations; reserves; distribution; review (1) Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period; and all appropriations or funds not limited to a definite period of time, and all authorizations to create obligations by contract in advance of appropriations, shall be so apportioned as to achieve the most effective and economical use thereof.	Section 1512: (a) Except as provided in this subchapter, an appropriation available for obligation for a definite period shall be apportioned to prevent obligation or expenditure at a rate that would indicate a necessity for a deficiency or supplemental appropriation for the period. An appropriation for an indefinite period and authority to make obligations by contract before appropriations shall be apportioned to achieve the most effective and economical use. An apportionment may be reapportioned under this section.
As used hereafter in this section, the term "appropriation" means appropriations, funds and authorizations to create obligations by contract in advance of appropriations.	Section 1511: (a) In this subchapter, "appropriations" means— (1) appropriated amounts; (2) funds; and (3) authority to make obligations by contract before appropriations.
(2) In apportioning any appropriation, reserves may be established solely to provide for contingencies or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations.	Section 1512(c): (1) In apportioning or reapportioning an appropriation, a reserve may be established only— (A) to provide for contingencies; (B) to achieve savings made possible by or through changes in requirements or greater efficiency of operations; or (C) as specifically provided by law.
Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the full objectives and scope of the appropriation concerned, he shall recommend the rescission of such amount in the manner provided in the Budget and Accounting Act, 1921 (31 U.S.C. 1 *et seq.*), for estimates of appropriations. Except as specifically provided by	Section 1512(c): (2) A reserve established under this subsection may be changed as necessary to carry out the scope and objectives of the appropriation concerned. When an official designated in section 1513 of this title to make apportionments decides that an amount reserved will not be required to carry out the objectives and scope of the appropriation concerned, the official shall

THE ANTIDEFICIENCY ACT	TITLE 31—MONEY AND FINANCE
particular appropriations acts or other laws, no reserves shall be established other than as authorized by this subsection. Reserves established pursuant to this subsection shall be reported to the Congress in accordance with the Impoundment Control Act of 1974 (31 U.S.C. 1400 *et seq.*).	recommend the rescission of the amount in the way provided in chapter 11 of this title for appropriation requests. Reserves established under this section shall be reported to Congress as provided in the Impoundment Control Act of 1974 (2 U.S.C. 681 *et seq.*).
(3) Any appropriation subject to apportionment shall be distributed by months, calendar quarters, operating seasons, or other time periods, or by activities, functions, projects, or objects, or by a combination thereof, as may be deemed appropriate by the officers designated in subsection (d) of this section to make apportionments and reapportionments. Except as otherwise specified by the officer making the apportionment, amounts so apportioned shall remain available for obligation, in accordance with the terms of the appropriation, on a cumulative basis unless reapportioned.	Section 1512(b): (1) An appropriation subject to apportionment is apportioned by— (A) months, calendar quarters, operating seasons, or other time periods; (B) activities, functions, projects, or objects; or (C) a combination of the ways referred to in clauses (A) and (B) of this paragraph. (2) The official designated in section 1513 of this title to make apportionments shall apportion an appropriation under paragraph (1) of this subsection as the official considers appropriate. Except as specified by the official, an amount apportioned is available for obligation under the terms of the appropriation on a cumulative basis unless reapportioned.
(4) Apportionments shall be reviewed at least four times each year by the officers designated in subsection (d) of this section to make apportionments and reapportionments, and such reapportionments made or such reserves established, modified, or released as may be necessary to further the effective use of the appropriation concerned, in accordance with the purposes stated in paragraph (1) of this subsection.	Section 1512: (d) An apportionment or a reapportionment shall be reviewed at least 4 times a year by the official designated in section 1513 of this title to make apportionments. Section 1512(a) the last sentence: . . . An apportionment may be reapportioned under this section.
(d) Officers controlling apportionment or reapportionment (1) Any appropriation available to the legislative branch, the judiciary, the United States International Trade Commission, or the District of Columbia, which is required to be apportioned under subsection (c) of this section, shall be apportioned or reapportioned in writing by the officer having administrative control of such appropriation. Each such appropriation shall be apportioned not later than thirty days before the beginning of the fiscal year for which the appropriation is available, or not more than thirty days after approval of the Act by which the appropriation is made available, whichever is later.	Section 1513: (a) The official having administrative control of an appropriation available to the legislative branch, the judicial branch, the United States International Trade Commission, or the District of Columbia government that is required to be apportioned under section 1512 of this title shall apportion the appropriation in writing. An appropriation shall be apportioned not later than the later of the following: (1) 30 days before the beginning of the fiscal year for which the appropriation is available; or (2) 30 days after the date of enactment of the law by which the appropriation is made available.

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(2) Any appropriation available to an agency, which is required to be apportioned under subsection (c) of this section, shall be apportioned or reapportioned in writing by the Director of the Office of Management and Budget. The head of each agency to which any such appropriation is available shall submit to the Office of Management and Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of such appropriation. Such information shall be submitted not later than forty days before the beginning of any fiscal year for which the appropriation is available, or not more than fifteen days after approval of the Act by which such appropriation is made available, whichever is later. The Director of the Office of Management and Budget shall apportion each such appropriation and shall notify the agency concerned of his action not later than twenty days before the beginning of the fiscal year for which the appropriation is available or not more than thirty days after approval of the Act by which such appropriation is made available, whichever is later.	Section 1513(b): (1) The President shall apportion in writing an appropriation available to an executive agency (except the Commission) that is required to be apportioned under section 1512 of this title. The head of each executive agency to which the appropriation is available shall submit to the President information required for the apportionment in the form and the way and at the time specified by the President. The information should be submitted not later than the later of the following: (A) 40 days before the beginning of the fiscal year for which the appropriation is available; or (B) 15 days after the date of enactment of the law by which the appropriation is made available. (2) The President shall notify the head of the executive agency of the action taken in apportioning the appropriation under paragraph (1) of this subsection not later than the later of the following: (A) 20 days before the beginning of the fiscal year for which the appropriation is available; or (B) 30 days after the date of enactment of the law by which the appropriation is made available.
When used in this section, the term "agency" means any executive department, agency, commission, authority, administration, board, or other independent establishment in the executive branch of the Government, including any corporation wholly or partly owned by the United States which is an instrumentality of the United States.	Section 101: In this title, "agency" means a department, agency, or instrumentality of the United States Government. Also, section 102: In this title, "executive agency" means a department, agency, or instrumentality in the executive branch of the United States Government.
Nothing in this subsection shall be so construed as to interfere with the initiation, operation, and administration of agricultural price support programs and no funds (other than funds for administrative expenses) available for price support, surplus removal, and available under section 612c of title 7, with respect to agricultural commodities shall be subject to apportionment pursuant to this section.	Section 1513: (e) This section does not affect the initiation and operation of agriculture price support programs. Also, section 1511: (b) This subchapter does not apply to— (1) amounts (except amounts for administrative expenses) available— (A) for price support and surplus removal of agricultural commodities; and (B) under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c);

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The provisions of this section shall not apply to any corporation which obtains funds for making loans, other than paid in capital funds, without legal liability on the part of the United States.	Section 1341(a): (2) This subsection does not apply to a corporation getting amounts to make loans (except paid in capital amounts) without legal liability of the United States Government. Also, section 1342 (in part): ... This section does not apply to a corporation getting amounts to make loans (except paid in capital amounts) without legal liability of the United States Government. Also, section 1511: (b) this subchapter does not apply to— (2) a corporation getting amounts to make loans (except paid in capital amounts) without legal liability on the part of the United States Government; and
(e) Apportionment necessitating deficiency or supplemental estimates (1) No apportionment or reapportionment, or request therefore by the head of an agency, which, in the judgment of the officer making or the agency head requesting such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate shall be made except upon a determination by such officer or agency head, as the case may be, that such action is required because of (A) any laws enacted subsequent to the transmission to the Congress of the estimates for an appropriation which require expenditures beyond administrative control; or (B) emergencies involving the safety of human life, the protection of property, or the immediate welfare of individuals in cases where an appropriation has been made to enable the United States to make payment of, or contributions toward, sums which are required to be paid to individuals either in specific amounts fixed by law or in accordance with formulae prescribed by law.	Section 1515(b): (1) Except as provided in subsection (a) of this section, an official may make, and the head of an agency may request, an apportionment under section 1512 of this title that would indicate a necessity for a deficiency or supplemental appropriation only when the official or agency head decides that the action is required because of— (A) a law enacted after submission to Congress of the estimates for an appropriation that requires an expenditure beyond administrative control; or (B) an emergency involving the safety of human life, the protection of property, or the immediate welfare of individuals when an appropriation that would allow the United States Government to pay, or contribute to, amounts required to be paid to individuals in specific amounts fixed by law or under formulas prescribed by law, is insufficient.
(2) In each case of an appropriation or a reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate, such officer shall immediately submit a detailed report of the facts of the case to the Congress. In transmitting any deficiency or supplemental estimates required on account of any such apportionment or reapportionment, reference shall be made to such report.	Section 1515(b): (2) If an official making an apportionment decides that an apportionment would indicate a necessity for a deficiency or supplemental appropriation, the official shall submit immediately a detailed report of the facts to Congress. The report shall be referred to in submitting a proposed deficiency or supplemental appropriation.

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(f) Exemption of trust funds and working funds expenditures from apportionment (1) The officers designated in subsection (d) of this section to make apportionments and reapportionments may exempt from apportionments trust funds and working funds expenditures from which have no significant effect on the financial operations of the Government, working capital and revolving funds established for intragovernmental operations, receipts from industrial and power operations available under law and any appropriation made specifically for— (1) interest on, or retirement of, the public debt; (2) payment of claims, judgments, refunds, and draw-backs; (3) any item determined by the President to be of a confidential nature; (4) payment under private relief acts or other laws requiring payments to designated payees in the total amount of such appropriation; (5) grants to the States under title I, IV, or X of the Social Security Act (42 U.S.C. 301 *et seq.*, 1201 *et seq.*), or under any other public assistance title in such Act.	Section 1516: An official designated in section 1513 of this title to make apportionments may exempt from apportionment – (1) a trust fund or working fund if an expenditure from the fund has no significant effect on the financial operations of the United States Government; (2) a working capital fund or a revolving fund established for intragovernmental operations; (3) receipts from industrial and power operations available under law; and (4) appropriations made specifically for— (A) interest on, or retirement of, the public debt; (B) payment of claims, judgments, refunds, and drawbacks; (C) items the President decides are of a confidential nature; (D) payment under a law requiring payment of the total amount of the appropriation to a designated payee; and (E) grants to the States under the Social Security Act (42 U.S.C. 301 *et seq.*).
(2) The provisions of subsection (c) of this section shall not apply to appropriations to the Senate or House of Representatives or to any Member, committee, Office (including the office of the Architect of the Capitol), officer, or employee thereof.	Section 1511: (b) This subchapter does not apply to— (3) the Senate, the House of Representatives, a committee of Congress, a member, officer, employee, or office of either House of Congress, or the office of the Architect of the Capitol or an officer or employee of that Office.
(g) Administrative division of apportionment; simplification of system for subdividing funds Any appropriation which is apportioned or reapportioned pursuant to this section may be divided and subdivided administratively within the limits of such apportionments or reapportionments. The officer having administrative control of any such appropriation available to the legislative branch, the judiciary, the United States International Trade Commission, or the District of Columbia, and the head of each agency, subject to the approval of the Director of the Office of Management and Budget, shall prescribe, by regulation, a system of administrative control (not inconsistent with any accounting	Section 1513: (d) An appropriation apportioned under this subchapter may be divided and subdivided administratively within the limits of the apportionment. Section 1514: (a) The official having administrative control of an appropriation available to the legislative branch, the judicial branch, the United States International Trade Commission, or the District of Columbia government, and, subject to the approval of the President, the head of each executive agency (except the Commission) shall prescribe by regulation a system of

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procedures prescribed by or pursuant to law) which shall be designed to (A) restrict obligations or expenditures against each appropriation to the amount of apportionments or reapportionments made for each such appropriation, and (B) enable such officer or agency head to fix responsibility for the creation of any obligation or the making of any expenditure in excess of an apportionment or reapportionment.	administrative control not inconsistent with accounting procedures prescribed under law. The system shall be designed to— (1) to restrict obligations or expenditures from each appropriation to the amount of apportionments or reapportionments of the appropriation; and (2) to enable the official or the head of the executive agency to fix responsibility for an obligation or expenditure exceeding an apportionment or reapportionment.
In order to have a simplified system for the administrative subdivision of appropriations or funds, each agency shall work toward the objective of financing each operating unit, at the highest practical level, from not more than one administrative subdivision for each appropriation or fund affecting such unit.	(b) To have a simplified system for administratively dividing appropriations, the head of each executive agency (except the Commission) shall work toward the objective of financing each operating unit, at the highest practical level, from not more than one administrative division for each appropriation affecting the unit.
(h) Expenditures in excess of apportionment; penalties No officer or employee of the United States shall authorize or create any obligation or make any expenditure (A) in excess of an apportionment or reapportionment, or (B) in excess of the amount permitted by regulations prescribed pursuant to subsection (g) of this section.	Section 1517: (a) An officer or employee of the United States Government or of the District of Columbia government may not make or authorize an expenditure or obligation exceeding— (1) an apportionment; or (2) the amount permitted by regulations prescribed under section 1514(a) of this title.
(i) Administrative discipline; reports on violation (1) In addition to any penalty of liability under other law, any officer or employee of the United States who shall violate subsections (a), (b), or (h) of this section shall be subjected to appropriate administrative discipline, including, when circumstances warrant, suspension from duty without pay or removal from office;	Section 1349: (a) An officer or employee of the United States Government or of the District of Columbia government violating section 1341(a) or 1342 of this title shall be subject to appropriate administrative discipline including, when circumstances warrant, suspension from duty without pay or removal from office. Also, section 1518: An officer or employee of the United States Government or of the District of Columbia government violating section 1517(a) of this title shall be subject to appropriate administrative discipline including, when circumstances warrant, suspension from duty without pay or removal from office.
And any officer or employee or the United States who shall knowingly and willfully violate subsections (a),	Section 1350: An officer or employee of the United States

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(b), or (h) of this section shall, upon conviction, be fined not more than $5,000 or imprisoned for not more than two years, or both.	Government or of the District of Columbia government knowingly and willfully violating section 1341(a) or 1342 of this title shall be fined not more than $5,000, imprisoned for not more than two years, or both. Also, section 1519: An officer or employee of the United States Government or of the District of Columbia government knowingly and willfully violating section 1517(a) of this title shall be fined not more than $5,000, imprisoned for not more than 2 years, or both.
(2) In the case of a violation of subsections (a), (b), or (h) of this section by an officer or employee of an agency, or of the District of Columbia, the head of the agency concerned or the Mayor of the District of Columbia, shall immediately report to the President, through the Director of the Office of Management and Budget, and to the Congress all pertinent facts together with a statement of the action thereon.	Section 1351: If an officer or employee of an executive agency or an officer or employee of the District of Columbia government violates section 1341(a) or 1342 of this title, the head of the agency or the Mayor of the District of Columbia, as the case may be, shall report immediately to the President and Congress all relevant facts and a statement of actions taken. A copy of each report shall be transmitted to the Comptroller General on the same date the report is transmitted to the President and Congress. Also, section 1517: (b) If an officer or employee of an executive agency or of the District of Columbia government violates subsection (a) of this section, the head of the executive agency or the Mayor of the District of Columbia, as the case may be, shall report immediately to the President and Congress all relevant facts and a statement of actions taken. A copy of each report shall be transmitted to the Comptroller General on the same date the report is transmitted to the President and Congress.
31 U.S.C. 665a. Basis of apportionment; need for funds for increased compensation for wage-board employees On and after June 5, 1957, any appropriation required to be apportioned pursuant to section 665 of this title, may be apportioned on a basis indicating the need for a supplemental or deficiency estimate of appropriation to the extent necessary to permit payment of such pay increases as may be granted those employees (commonly known as wage-board employees) whose compensation is fixed and adjusted from time to time in accordance with prevailing rates (5 U.S.C. 5102(c)(7), 5341 *et seq.*).	Section 1515: (a) An appropriation required to be apportioned under section 1512 of this title may be apportioned on a basis that indicates the need for a deficiency or supplemental appropriation to the extent necessary to permit payment of such pay increases as may be granted pursuant to law to civilian officers and employees (including prevailing rate employees whose pay is fixed and adjusted under subchapter IV of chapter 53 of title 5) and to retired and active military personnel

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31 U.S.C. 669. Apportionment of contingent funds of departments to offices and bureaus (the following passage occurs in section 669 before the semicolon) In addition to the apportionment required by section 665 of this title, the head of each executive department shall, on or before the beginning of each fiscal year, apportion to each office or bureau of his department the maximum amount to be expended therefore during the fiscal year out of the contingent fund or funds appropriated for the entire year for the department, and the amounts so apportioned shall not be increased or diminished during the year for which made except upon the written direction of the head of the department, in which there shall be fully expressed his reasons therefore.	Section 1513: (c) By the first day of each fiscal year, the head of each executive department of the United States Government shall apportion among the major organizational units of the department the maximum amount to be expended by each unit during the fiscal year out of each contingent fund appropriated for the entire year for the department. Each amount may be changed during the fiscal year only by written direction of the head of the department. The direction shall state the reasons for the change.
31 U.S.C. 669. Apportionment of use of contingent funds by DC (the following passage occurs in section 669 after the semicolon) and there shall not be purchased out of any other fund any article for use in any office or bureau of any executive department, in Washington, District of Columbia, which could be purchased out of appropriations made for the regular contingent funds of such department or of its offices and bureaus.	Section 1341: (b) An article to be used by an executive department in the District of Columbia that could be bought out or an appropriation made to a regular contingent fund of the department may not be bought out of another amount available for obligation.

APPENDIX H—CHECKLIST FOR FUND CONTROL REGULATIONS

You must include the following items in the fund control regulations you submit to OMB for approval.

1. Statement of purpose. At a minimum, your regulations should state broadly that their purpose is to prescribe procedures to follow in budget execution and specify basic fund control principles and concepts.

Your regulations should state that they:

- Establish policy with regard to the administrative control of funds.
- Prescribe a system for positive administrative control of funds designed to restrict obligations and expenditures (disbursements) to the amount available in each appropriation or fund account.
- Restrict *both* obligations and expenditures from each appropriation or fund account to *the lower of* the amount of apportionments made by OMB or the amount available for obligation and/or expenditure in the appropriation or fund account.
- Enable the head of your agency to identify the person responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reapportionment, the allotment or suballotments made by the agency, any statutory limitations, and any other administrative subdivision of funds made by the agency.
- Provide procedures for dealing with violations of the Antideficiency Act as well as violations of other administrative subdivision of funds that are not violations of the Antideficiency Act, per se.

2. Authority. At a minimum, you should list the following authorities in the regulations:

- Money and Finance. Title 31, United States Code:
  - Sections 1341–1342, 1349–1351, 1511–1519 (part of the Antideficiency Act, as amended).
  - Sections 1101, 1104–1108, 3324 (part of the Budget and Accounting Act, 1921, as amended).
  - Sections 1501–1502 (part of section 1311 of the Supplemental Appropriations Act of 1950).
  - Sections 1112, 1531, 3511–3512, 3524 (part of the Budget and Accounting Procedures Act of 1950).
- Title X of P. L. 93–344, found at 2 U.S.C. 681–688.
- Part 4 of OMB Circular No. A–11, "Instructions on Budget Execution," and related OMB guidelines.
- Other pertinent laws governing your agency's funds and appropriate agency internal regulations, if any.

3. Scope. The regulations should state that all organizations, appropriations, and funds are subject to the provisions contained in them. If you want to make any exemptions, OMB must first approve them. Clearly identify all approved exemptions in the regulations.

4. Definitions, terminology, and concepts. Your regulations should have a section that specifies that the definitions, terminology, and concepts in OMB Circular No. A–11 applies. You may restrict this to terms that are peculiar to, or have special meaning within your agency, except that you should include the identical definition of the following terms found in OMB Circular No. A–11: apportionment, allotment, suballotment, administrative division or subdivision of funds, and agency limitations.

To the extent that OMB Circular No. A–11 or Treasury regulations do not provide a definition for a technical term; this section should include a definition for the term that your agency is proposing to use in the regulations.

5. Responsibility and functions of individuals. Your agency regulations should describe those individuals within the agency charged with fund control responsibilities by title or position. At a minimum, they should:

- List the positions and describe the fund control responsibilities of each.
- Explain each position's responsibilities with regard to investigating, reporting, and following up on Antideficiency Act violations, as well as violations of agency limitations that are not violations of the Antideficiency Act.

6. Actions prohibited. At a minimum, include the following:

- *Violations of the Antideficiency Act*. List all the basic actions prohibited by sections 1341, 1342, and 1517(a) of Title 31, U.S. Code (part of the Antideficiency Act), as they are interpreted and applied within your agency.
- *Violations of limitations that do not per se violate the Antideficiency Act*. List and briefly describe all your agency's imposed restrictions, including a statement describing the conditions under which violations of these restrictions also violate the Antideficiency Act.

7. Penalties.

A. *Administrative penalties*. The law provides that any officer or employee of the United States who violates the prohibitions of 31 U.S.C. 1341(a), 1342, or 1517(a) will be subject to appropriate administrative discipline. Administrative discipline may consist of:

- Letter of reprimand or censure for the official personnel record of the officer or employee.
- Unsatisfactory performance rating.
- Transfer to another position.
- Suspension from duty without pay.
- Removal from office.

B. *Criminal penalties*. In addition, the law provides that any officer or employee of the United States who knowingly and willfully violates the prohibitions shall be fined not more than $5,000, imprisoned for not more than two years, or both.

Describe all criminal penalties for violations of the Antideficiency Act, as well as any additional disciplinary measures your agency imposes. In addition, describe penalties for violations of agency limitations and requirements that your agency does not consider subject to provisions of the Antideficiency Act.

8. Reporting violations. At a minimum, your regulations should prescribe procedures for reporting apparent violations to responsible agency officials, the President, the Congress, and the Government Accountability Office (GAO). All violations must be reported immediately upon discovery. Antideficiency Act violations must be reported by letter to the President, through OMB, signed by the head of the agency, and by letter to the Congress and GAO.

Any individual who knows of a possible Antideficiency Act violation must report it. Specify who should be notified in your regulations.

Even though you take subsequent actions to correct the cause of a violation, it does not eliminate that violation, and you must still report it.

9. Accounting support for fund control systems. Your regulations must specify that the agency accounting system must fully support agency fund control systems. The accounting systems should provide for:

- Recording all financial transactions affecting: apportionments; reapportionments; allotments; suballotments; agency restrictions; financial plans; program operating plans; obligations and expenditures; as well as anticipated, earned, and collected reimbursements.

- Preparing and reconciling financial reports that display cumulative obligations, and the remaining unobligated balance by appropriation and allotment, and cumulative obligations by budget activity and object class.

10. Apportionment procedures. Normally, you describe agency procedures for requesting apportionment of funds in other directives or manuals. However, you should include the following as part of the fund control regulations:

- Briefly describe your agency's procedures for requesting the apportionment of funds. List position(s) and organizations responsible for making the request.

- Cite the basic internal agency directives covering the apportionment of funds. At your option, you may include general guidance covering apportionment action in connection with the following:

  - Supplementals.
  - Reprogramming.
  - Transfer between accounts.

- Discuss agency administrative control of funds policies that apply specifically to revolving funds, management funds, and trust funds, including those that are not apportioned. If any of these funds are not subject to the basic provisions of these regulations (see above), describe the procedures used to control them in a separate section.

11. Policy on allotments and suballotments. Include the general policy that allotments and suballotments will be established at the highest practical level, and each operating unit will be financed from no more than one subdivision for each appropriation or fund (the Antideficiency Act establishes these objectives). Specify the criteria for changing the allotment structure, and identify who has authority to approve such changes. Emphasize that allotments and suballotments are subject to the provisions of the Antideficiency Act.

Include the following in the section on allotments and suballotments:

- Function and purpose of allotments and suballotments.

- Restrictions:

  - The sum of allotment amounts issued will not exceed the apportionment.

  - The sum of suballotment amounts issued will not exceed the allotment amount.

  - The amounts of allotments or other administrative subdivisions will be fixed and will be changed only when authorized by the authority who initially issued the subdivision.

  - Congressional restrictions contained in appropriation acts will be enforced.

  - Other restrictions which your agency may want with respect to administrative subdivisions. Use this Circular as a guide. However, you may establish more stringent requirements for the allotment of anticipated budgetary resources.

- Allotment procedures:

  - Make allotments and suballotments using formal documents.

  - Identify the officers authorized to issue allotments and suballotments as well as the officers and employees authorized to reduce them.

  - At a minimum, document the following:

    A. Amount available.

    B. Funding source (for example, appropriations, reimbursements).

    C. Time period of availability.

    D. The position title of the official responsible and other agency limitations.

    E. Justification for changes in allotments. (In some cases, changes in allotments will create the need for a reapportionment, which requires OMB approval.)

12. Treatment of anticipated budgetary resources already enacted into law. Your agency's fund control regulations should state that apportionments may include estimated amounts of "anticipated" budgetary resources that are the result of *laws already enacted*. This is done to reduce routine reapportionments of such amounts as they actually become available. These are presented on the SF 132 and SF 133 on the following lines:

- Line 4B, anticipated increases (+) in budget authority (including anticipated transfers of new budget authority) into the account and anticipated decreases (–) from the account;

- Line 4D, anticipated transfers of balances of budget authority into the account (+) and out of the account (–);

- Line 3D3, anticipated orders without an advance and anticipated refunds (+);

- Line 3D5c, anticipated transfers from trust funds into the account (+);
- Line 2B, anticipated recoveries of prior year obligations (+); and
- Line 6F, anticipated permanent reductions (–).

You may choose not to allot amounts *anticipated to increase* (+) the total budgetary resources, even though the amount has been apportioned, until the increase actually occurs.

Alternatively, you may choose to allot amounts *anticipated to increase* the total budgetary resources before the increase actually occurs. If you choose this alternative, then the fund control regulations must require that all officials or employees who receive allotments of anticipated increases in budgetary resources should maintain constant and careful oversight to ensure that these amounts materialize before they incur obligations or expenditures against this type of allotment. The regulations must also require that if actual amounts are less than anticipated, the agency will make appropriate funding adjustments and take other appropriate actions including requesting a reapportionment.

The *anticipated decreases* (–) under current law do not become a part of the amount of total budgetary resources available to be apportioned. Since the OMB apportionment will not include these amounts, these amounts must not be allotted.

13. Deficiency apportionments. At a minimum, the regulations should state:

- Apportionments that anticipate the need for a deficiency appropriation or a supplemental under 31 U.S.C. 1515 will be specifically identified on the apportionment request (SF 132).
- To qualify as a deficiency apportionment, the request must be required by:
  - Laws enacted subsequent to the transmittal of the annual budget for the year to Congress;
  - Emergencies involving human life, the protection of property, or the immediate welfare of individuals; or
  - Specific authorization by law.
- When OMB approves a deficiency apportionment and transmits it to Congress, OMB is merely notifying the Congress that funds appropriated to date are being obligated at a more rapid rate than previously anticipated. This notification does not guarantee that the Congress will approve any part of any associated supplemental requests and does not authorize the use of any amounts not yet provided by Congress.

APPENDIX J—PRINCIPLES OF BUDGETING FOR CAPITAL ASSET ACQUISITIONS

Introduction and Summary

The Administration plans to use the following principles in budgeting for capital asset acquisitions. These principles address planning, costs and benefits, financing, and risk management requirements that should be satisfied before a proposal for the acquisition of capital assets can be included in the Administration's budget. A Glossary describes key terms. OMB has also published the *Capital Programming Guide* (June 2006), a supplement to this Circular. The *Guide* is a basic reference on principles and techniques for planning, budgeting, acquisition, and management of capital assets. Agencies should consult the *Guide* when preparing their capital plans and developing their budget requests from their capital plans.

The principles are organized in the following four sections:

Planning. This section focuses on the need to ensure that capital assets support core/priority missions of the agency; the assets have demonstrated a projected return on investment that is clearly equal to or better than alternative uses of available public resources; the risk associated with the assets is understood and managed at all stages; and the acquisition is implemented in phased, successive segments, unless it can be demonstrated there are significant economies of scale at acceptable risk from funding more than one segment or there are multiple units that need to be acquired at the same time.

B. *Costs and Benefits.* This section emphasizes that the asset should be justified primarily by benefit-cost analysis, including life-cycle costs; that all costs are understood in advance; and that cost, schedule, and performance goals are identified that can be measured using an earned value management system.

C. *Principles of Financing.* This section stresses that useful segments are to be fully funded with regular appropriations; that as a general rule, planning segments should be financed separately from procurement of the asset; and that agencies are encouraged to aggregate assets in capital acquisition accounts and take other steps to accommodate lumpiness or "spikes" in funding for justified acquisitions.

D. *Risk Management.* This section is to help ensure that risk is analyzed and managed carefully in the acquisition of the asset. Strategies can include separate accounts for capital asset acquisitions, the use of apportionment to encourage sound management, and the selection of efficient types of contracts and pricing mechanisms in order to allocate risk appropriately between the contractor and the Government. In addition, cost, schedule, and performance goals are to be controlled and monitored by using an earned value management system; and if progress toward these goals is not met, there is a formal review process to evaluate whether the acquisition should continue or be terminated.

As defined here, capital assets are generally land, structures, equipment, and intellectual property (including software) that are used by the Federal Government, including weapon systems. Not included are grants to States or others for their acquisition of capital assets. A complete definition is provided in section 300.4.

A. Planning

Investments in major capital assets proposed for funding in the Administration's budget should:

1. Support core/priority mission functions that need to be performed by the Federal Government;

2. Be undertaken by the requesting agency because no alternative private sector or governmental source can support the function more efficiently;

3. Support work processes that have been simplified or otherwise redesigned to reduce costs, improve effectiveness, and make maximum use of commercial, off-the-shelf technology;

4. Demonstrate a projected return on the investment that is clearly equal to or better than alternative uses of available public resources. Return may include: improved mission performance in accordance with measures developed pursuant to the Government Performance and Results Act; reduced cost; increased quality, speed, or flexibility; and increased customer and employee satisfaction. Return should be adjusted for such risk factors as the investment's technical complexity, the agency's management capacity, the likelihood of cost overruns, and the consequences of under- or non-performance;

5. Information technology investments ensure that security is incorporated and funded in the life-cycle planning of the system. OMB Memorandum M–00–07: "Incorporating and Funding Security in Information Systems Investments" (February 28, 2000) provides additional detail.

6. Reduce risk by: avoiding or isolating custom-designed components to minimize the potential adverse consequences on the overall investment; using fully tested pilots, simulations, or prototype implementations when necessary before going to production; establishing clear measures and accountability for investment progress; and securing substantial involvement and buy-in throughout the investment from the program officials who will use the system;

7. Be implemented in phased, successive segments as narrow in scope and brief in duration as practicable, each of which solves a specific part of an overall mission problem and delivers a measurable net benefit independent of future segments, unless it can be demonstrated that there are significant economies of scale at acceptable risk from funding more than one segment or there are multiple units that need to be acquired at the same time; and

8. Employ an acquisition strategy that appropriately allocates risk between the Government and the contractor, effectively uses competition, ties contract payments to accomplishments, and takes maximum advantage of commercial technology.

Prototypes require the same justification as other capital assets.

As a general presumption, OMB will recommend new or continued funding only for those capital asset investments that satisfy these criteria. Funding for those investments will be recommended on a phased basis by segment, unless it can be demonstrated that there are significant economies of scale at acceptable risk from funding more than one segment or there are multiple units that need to be acquired at the same time.

OMB recognizes that many agencies are in the middle of ongoing investments, and they may not be able immediately to satisfy the criteria. For those investments that do not satisfy the criteria, OMB will consider requests to use current year and budget year funds to finance additional planning, as necessary, to support the establishment of realistic cost, schedule, and performance goals for the completion of the investment. This planning could include: the redesign of work processes, the evaluation of alternative solutions, the development of information system architectures, and if necessary, the purchase and evaluation of prototypes. Realistic goals are necessary for agency portfolio analysis to determine the viability of the investment, to provide the basis for fully funding the investment to completion, and setting the baseline for management accountability to deliver the investment within goals.

Because OMB considers this information essential to agencies' long-term success, OMB will use this information both in preparing the Administration's budget and, in conjunction with cost, schedule, and performance data, as apportionments are made. Agencies are encouraged to work with their OMB representative to arrive at a mutually satisfactory process, format, and timetable for providing the requested information.

B. Costs and Benefits

The justification of the investment should evaluate and discuss the extent to which the investment meets the above criteria and should also include:

- An analysis of the investment's total life-cycle costs and benefits, including the total budget authority required for the asset, consistent with policies described in OMB Circular A–94: *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs* (October 1992);

- An analysis of the risk of the investment including how risks will be isolated, minimized, monitored, and controlled, and for major programs, an evaluation and estimate by the Chief Financial Officer of the probability of achieving the proposed cost goals;

- If after the planning phase, the procurement is proposed for funding in segments, an analysis showing that the proposed segment is economically and programmatically justified, that it is programmatically useful if no further investments are funded, and in this application its benefits exceed its costs; and

- Cost, schedule, and performance goals for the investment (or the planning segment or useful asset being proposed) that can be measured throughout the acquisition process using a performance-based management system, e.g., earned value management.

C. Principles of Financing

Principle 1: Full Funding

Budget authority sufficient to complete a useful segment of a capital project (or investment) (or the entire capital project, if it is not divisible into useful segments) must be appropriated before any obligations for the useful segment (or project or investment) may be incurred.

Explanation: Good budgeting requires that appropriations for the full costs of asset acquisition be enacted in advance to help ensure that all costs and benefits are fully taken into account at the time decisions are made to provide resources. Full funding with regular appropriations in the budget year also leads to tradeoffs within the budget year with spending for other capital assets and with spending for purposes other than capital assets. Full funding increases the opportunity to use performance-based fixed price contracts, allows for more efficient work planning and management of the capital project (or investment), and increases the accountability for the achievement of the baseline goals.

When full funding is not followed and capital projects (or investments) or useful segments are funded in increments, without certainty if or when future funding will be available, the result is sometimes poor planning, acquisition of assets not fully justified, higher acquisition costs, cancellation of major investments, the loss of sunk costs, or inadequate funding to maintain and operate the assets.

Principle 2: Regular Appropriations

Regular appropriations for the full funding of a capital project (or investment) or a useful segment of a capital project in the budget year are preferred. If this results in spikes that, in the judgment of OMB, cannot be accommodated by the agency or the Congress, see Principle 4 below.

Explanation: Principle 1 (Full Funding) is met as long as appropriations provide budget authority sufficient to complete the capital project or useful segment or investment. Full funding in the budget year with regular appropriations alone is preferred because it leads to tradeoffs within the budget year with spending for other capital assets and with spending for purposes other than capital assets. In contrast, full funding for a capital project (investment) over several years with regular appropriations for the first year and advance appropriations for subsequent years may bias tradeoffs in the budget year in favor of the proposed asset because with advance appropriations the full cost of the asset is not included in the budget year. Advance appropriations, because they are scored in the year they become available for obligation, may constrain the budget authority and outlays available for regular appropriations of that year.

Principle 3: Separate Funding of Planning Segments

As a general rule, planning segments of a capital project (investment) should be financed separately from the procurement of a useful asset.

Explanation: The agency must have information that allows it to plan the capital project (investment), develop the design, and assess the benefits, costs, and risks before proceeding to procurement of the useful asset. This is especially important for high risk acquisitions. This information comes from activities, or planning segments, that include but are not limited to market research of available solutions, architectural drawings, geological studies, engineering and design studies, and prototypes. The construction of a prototype that is a capital asset, because of its cost and risk, should be justified and planned as carefully as the investment itself. The process of gathering information for a capital project (investment) may consist of one or more planning segments, depending on the nature of the asset. Funding these segments separately will help ensure that the necessary information is available to establish cost, schedule, and performance goals before proceeding to procurement.

If budget authority for planning segments and procurement of the useful asset are enacted together, OMB may wish to apportion budget authority for one or several planning segments separately from procurement of the useful asset.

Principle 4: Accommodation of Lumpiness or "Spikes" and Separate Capital Acquisition Accounts

To accommodate lumpiness or "spikes" in funding justified capital acquisitions, agencies, working with OMB, are encouraged to aggregate financing for capital asset acquisitions in one or several separate capital acquisition budget accounts within the agency, to the extent possible within the agency's total budget request.

Explanation: Large, temporary, year-to-year increases in budget authority, sometimes called lumps or spikes, may create a bias against the acquisition of justified capital assets. Agencies, working with OMB, should seek ways to avoid this bias and accommodate such spikes for justified acquisitions. Aggregation of capital acquisitions in separate accounts may:

- Reduce spikes within an agency or bureau by providing roughly the same level of spending for acquisitions each year;
- Help to identify the source of spikes and to explain them. Capital acquisitions are more lumpy than operating expenses; and with a capital acquisition account, it can be seen that an increase in operating expenses is not being hidden and attributed to one-time asset purchases;
- Reduce the pressure for capital spikes to crowd out operating expenses; and

- Improve justification and make proposals easier to evaluate, since capital acquisitions are generally analyzed in a different manner than operating expenses (e.g., capital acquisitions have a longer time horizon of benefits and life-cycle costs).

D. Risk Management

Risk management should be central to the planning, budgeting, and acquisition process. Failure to analyze and manage the inherent risk in all capital asset acquisitions may contribute to cost overruns, schedule shortfalls, and acquisitions that fail to perform as expected. For each major capital project (investment), a risk analysis that includes how risks will be isolated, minimized, monitored, and controlled may help prevent these problems.

The investment cost, schedule and performance goals established through the planning phase of the investment are the basis for approval to procure the asset and the basis for assessing risk. During the procurement phase, performance-based management systems (earned value or similar system) must be used to provide contractor and Government management visibility on the achievement of, or deviation from, goals until the asset is accepted and operational. If goals are not being met, performance-based management systems allow for early identification of problems, potential corrective actions, and changes to the original goals needed to complete the investment and necessary for agency portfolio analysis decisions. These systems also allow for Administration decisions to recommend meaningful modifications for increased funding to the Congress, or termination of the investment, based on its revised expected return on investment in comparison to alternative uses of the funds. Agencies must ensure that the necessary acquisition strategies are implemented to reduce the risk of cost escalation and the risk of failure to achieve schedule and performance goals. These strategies may include:

- Having budgetary resources appropriated in separate capital asset acquisition accounts;

- Apportioning budget authority for a useful segment;

- Establishing thresholds for cost, schedule, and performance goals of the acquisition, including return on investment, which if not met may result in cancellation of the acquisition;

- Selecting types of contracts and pricing mechanisms that are efficient and that provide incentives to contractors in order to allocate risk appropriately between the contractor and the Government;

- Monitoring cost, schedule, and performance goals for the investment (or the planning segment or useful asset being proposed) using a performance-based management system, e.g., earned value management system.

- If progress is not within 90 percent of goals, or if new information is available that would indicate a greater return on investment from alternative uses of funds, instituting senior management review of the investment through portfolio analysis to determine the continued viability of the investment with modifications, or the termination of the investment, and the start of exploration for alternative solutions if it is necessary to fill a gap in agency strategic goals and objectives.

E. Glossary

Appropriations, regular annual or advance, provide budget authority that permits Government officials to incur obligations that result in immediate or future outlays of Government funds.

Regular annual appropriations are:

- Enacted normally in the current year;
- Scored entirely in the budget year; and
- Available for obligation in the budget year and subsequent years if specified in the language (see "*Availability,*" below).

Advance appropriations may be accompanied by regular annual appropriations to provide funds available for obligation in the budget year as well as subsequent years. Advance appropriations are:

- Enacted normally in the current year;
- Scored after the budget year (e.g., in each of one, two, or more later years, depending on the language); and
- Available for obligation in the year scored and subsequent years if specified in the language (see "*Availability,*" below).

Availability refers to the period during which appropriations may be legally obligated. Appropriations made in appropriations acts are available for obligation only in the budget year, unless the language specifies that an appropriation is available for a longer period. If the language specifies that the funds are to remain available until the end of a certain year beyond the budget year, the availability is said to be "multi-year." If the language specifies that the funds are to remain available until expended, the availability is said to be "no-year." Appropriations for major procurements and construction projects are typically made available for multiple years or until expended.

APPENDIX K—SELECTED OMB GUIDANCE AND OTHER REFERENCES REGARDING CAPITAL ASSETS

EXECUTIVE ORDERS

Executive Order No. 12893, "Principles for Federal Infrastructure Investments," provides principles for the systematic economic analysis of infrastructure investments and their management. OMB Bulletin No. 94–16, Guidance on Executive Order No. 12893, "Principles for Federal Infrastructure Investments" (March 7, 1994), provides guidance for implementing this Order and appends the Order itself.

OMB CIRCULARS AND MEMORANDA

***OMB Circular No. A–11,* Preparing and Submitting Budget Estimates:**

Part 2: Preparation and Submission of Budget Estimates

- Section 31.6, Full funding, requires that the agency request include full funding for procurement and construction. See section 300.6 for more discussion of this policy.
- Section 33.7, Systems acquisitions, states that agencies should develop their estimates of major systems acquisitions, including information technology systems, consistent with guidance in the *Capital Programming Guide*, the requirements of Title V of the Federal Acquisition Streamlining Act of 1994 (FASA), and the Clinger-Cohen Act of 1996.
- Section 52, Information on financial management, requires agencies to submit data on financial management plans, systems and resources.
- Section 53, Information technology and e-government, requires agencies to submit data on information technology investments.
- Section 84, Character classification, requires information on different kinds of investment and grants to state and local governments.

Part 7: Planning, Budgeting, Acquisition, and Management of Capital Assets

Capital Programming Guide (June 2006). The *Guide* is a policy Supplement to this Circular.

OMB Circular No. A–94, *Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs* (October 1992), publishes periodic revisions of the discount rate that are used to produce benefit-cost, cost-effectiveness, and lease-purchase analyses in evaluating Federal activities including capital asset acquisition. The circular includes guidelines on how to use the discount rate in calculating present value of future benefits and costs; measuring benefits and costs; and treating uncertainty and other issues. This guidance must be followed in all analyses you submit to OMB in support of legislative and budget programs.

OMB Circular No. A–127, *Financial Management Systems* (revised January 09, 2009), prescribes policies and standards for you to follow in developing, operating, evaluating, and reporting on core financial systems.

OMB Circular No. A–130, *Management of Federal Information Resources* (revised November 20, 2000), provides principles for internal management and planning practices of information systems and technology.

OMB Memorandum M–00–10, *OMB Procedures and Guidance on Implementing the Government Paperwork Elimination Ac*t (April 25, 2000). This memorandum provides guidance implementing on the Government Paperwork Elimination Act (GPEA), which requires agencies, by October 21, 2003, to provide for the (1) option of electronic maintenance, submission, or disclosure of information, when practicable as a substitute for paper; and (2) use and acceptance of electronic signatures, when practicable.

OMB Memorandum M–00–13, *Privacy Policies and Data Collection on Federal Websites* (June 22, 2000). This memorandum reminds agencies that they are required by law and policy to establish clear privacy policies for its web activities and to comply with those policies.

OMB Memorandum M–05–07, *2005 Discount Rates for OMB Circular No. A–94* (January 31, 2005). This memorandum provides the annual update of discount rates in Appendix C of OMB Circular A–94. These rates will be in effect February 2005 through the end of January 2006.

PUBLICATIONS

American National Standard Institute, *Earned Value Management Systems*, ANSI/EIA–748–1998, (approved May 19, 1998). Electronic Industries Alliance. Arlington, VA 22201.

Best Practices Committee, Federal Chief Information Officers Council, three separate documents:
1) *Smart Practices in Capital Planning* (October 2000); 2) *First Practices in Portfolio Management* (February 2002); and 3) *ROI and the Value Puzzle* (April 1999) (see *www.cio.gov*).

U.S. General Accounting Office, Assessing Risks and Returns: A Guide for Evaluating Federal Agencies' IT Investment Decision-Making, *GAO/AIMD–10.1.13* (February 1997).

Congressional Budget Office paper on *Capital Budgeting*, http://www.cbo.gov/doc.cfm?index=9167 (May 2008).

President's Commission to Study Capital Budgeting, *Report of the President's Commission to Study Capital Budgeting*, http://clinton3.nara.gov/pcscb/report.html. (February 1999).

U.S. Office of Management and Budget, Federal Investment Spending and Capital Budgeting, Chapter 7 of the *Analytical Perspectives* volume of the Fiscal Year 2004 President's Budget, http://www.gpoaccess.gov/usbudget/fy04/pdf/spec.pdf. (February 2003)

CIRCULAR NO. A–11

PART 9

ADVANCE GUIDANCE FOR FY 2010: REALIGNED FORMAT FOR SF 133

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
AUGUST 2009

SECTION 130—SF 133, REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Table of Contents

OMB is in the process of realigning the sections of the Report on Budget Execution and Budgetary Resources (SF 133), Apportionment and Reapportionment Schedule (SF 132), and Program and Financing schedule that share common data elements. This is being done on a phased basis, beginning with the SF 133, which will be prepared on the new basis for FY 2010. Agencies will switch to the new format when reporting first quarter SF 133s in January 2010. *For the remainder of FY 2009, agencies should continue to use the budget execution guidance contained in Part 8 of this Circular*. During the transition period, SF 133s and SF 132s will use different formats.

This advance guidance reflects the realigned line entries on the SF 133. It was first issued in May 2009.

Summary of Changes

Clarifies the treatment of unobligated balances at the end of the fifth expired year for Treasury Appropriation Fund Symbols with extended disbursement authority (section 130.12).

Modifies line entries for advance appropriations, direct and reimbursable obligations, and additional offsets against gross budget authority.

130.1 What is the purpose of the SF 133 and how is it organized?

The SF 133 Report on Budget Execution and Budgetary Resources:

- Fulfills the requirement in 31 U.S.C. 1511–1514 that the President review Federal expenditures at least four times a year.
- Allows the monitoring of the status of funds that were apportioned on the SF 132 Apportionment and Reapportionment Schedule and funds that were not apportioned.
- Provides a consistent presentation of information across programs within each agency, and across agencies, which helps program, budget, and accounting staffs to communicate.
- Provides historical reference that can be used to help prepare the President's Budget, program operating plans, and spend-out rate estimates.
- Provides a basis to determine obligation patterns when programs are required to operate under a continuing resolution.
- Ties an agency's financial statements to their budget execution. The compilation of an agency's SF 133s should generally agree with an agency's Statement of Budgetary Resources. The few differences are explained in section 130.19(e).

The SF 133 consists of the following sections:

Section...	shows whether....	and is described in:
Schedule of Budgetary Resources	budgetary resources are available for obligation or not	Appendix F, Schedule of Budgetary Resources
Status of Budgetary Resources	budgetary resources have been obligated or not	Appendix F, Status of Budgetary Resources

Section...	shows whether....	and is described in:
Change in Obligated Balance	obligated balances changed	Appendix F, Change in Obligated Balance
Budget Authority and Outlays, Net	obligated amounts have been outlayed or not	Appendix F, Budget Authority and Outlays, Net

130.2 What are the general requirements for submitting SF 133s?

(a) *What accounts should I report*?

Unless otherwise specified by OMB, all Executive Branch agencies must electronically submit SF 133 information each quarter for each open Treasury appropriation fund symbol (TAFS).

Do submit SF 133 reports for:

- Unexpired (i.e. current) TAFSs;
- Expired TAFSs (including TAFSs about to be closed and annual TAFSs that are older than five years that have legally authorized extended disbursing authority);
- Both apportioned TAFSs and those that have not been apportioned; and
- Credit program, financing, and liquidating TAFSs (see section 185 for detailed information).

Do not submit SF 133 reports for:

- Deposit fund accounts;
- Receipt accounts (including clearing accounts and suspense accounts); and
- Closed TAFSs (i.e. TAFSs with canceled balances) unless required by OMB.

(b) *What level of detail should I report?*

Submit SF 133s for each expired and unexpired TAFS. Report amounts as cumulative from the beginning of the fiscal year to the end of the period.

Because one of the main purposes of the SF 133 is to monitor the use of the funds planned on the SF 132 Apportionment; in general, your SF 133 should contain the same level of detail as your SF 132 Apportionment.

(c) *How do I submit an SF 133?*

You must submit SF 133 budget execution information electronically through the Treasury's Federal Agencies' Centralized Trial-balance System II (FACTS II). This facilitates analysis and ensures consistent presentation of budget execution information so that Government-wide totals are meaningful. Electronic submission of the information also allows the SF 133 to be presented on the Budget Community web pages at https://max.omb.gov/community/x/cwM to facilitate communication among accounting, budget, and audit staff.

You can find out more about FACTS II at http://www.fms.treas.gov/factsii/index.html or by calling the Budget Reports Division at (202) 874–9902. FACTS II does not replace the SF 133, but rather replaces previous systems used to collect SF 133 information.

(d) *Who can approve an SF 133 submission?*

SF 133 information submitted for each independent agency, departmental bureau, or similar subdivision will be certified by an officer duly authorized by the head of the agency to be responsible for the integrity of the submission.

Typically, one group within your agency (for example, the accounting office) reports amounts to Treasury while another group (for example, the budget office) prepares budget schedules (see section 82.15). Before the accounting office submits its actuals to Treasury in FACTS II, you must ensure that the amounts you are going to report are conceptually and numerically consistent with the amounts that your budget office is going to report in MAX A–11. In addition, GAO requires your auditors to determine whether controls exist to ensure that the amounts in your systems and the amounts submitted via FACTS II agree. See GAO–02–126G "Guide for Auditing the Statement of Budgetary Resources" (see section 82.15).

(e) *When do I submit an SF 133?*

You must submit SF 133 budget execution information at the end of each quarter. You can find out the reporting deadlines at http://www.fms.treas.gov/factsii/index.html or by calling the Budget Reports Division at (202) 874–9902. The FACTS II window opens approximately two weeks after the close of each quarter. You must revise any material errors in previously reported information through FACTS II at this time as well. You also must be able to produce a monthly SF 133 when required by OMB.

(f) *What other budget execution reporting requirements must I meet?*

You must submit a paper copy of the SF 133 for each quarter directly to the Committee on Appropriations, House of Representatives. To the extent practicable, you should submit all the reports for each independent agency, departmental bureau, or similar subdivision together and numbered consecutively. You may use printouts of SF 133s from FACTS II. You may also encourage or make arrangements with the Committee on Appropriations, House of Representatives to electronically retrieve the information from the Budget Community web pages at https://max.omb.gov/community/x/cwM.

You should periodically compare the estimates of anticipated amounts (contained on SF 132 lines 2B, 3A2, 3D3, 3D5C, 4B, 4D, 6F, and SF 133 line 2203) to actual results to improve future estimates.

130.3 How do I report budgetary resources?

To use the entries in this section of the SF 133, see Appendix F, Schedule of Budgetary Resources. The Appendix F includes specific instructions for unexpired TAFSs, expired TAFSs, and expired TAFSs being closed. "Expired TAFSs being closed" refers to the final September 30 SF 133 that is submitted for a TAFS (e.g., the September 30 report for an annual TAFS that has been expired for five years).

For unobligated balance brought forward, do not include any amounts for (1) indefinite appropriations, except special and trust fund receipts; (2) indefinite borrowing authority; or indefinite contract authority. For adjustments to indefinite budget authority, refer to line 6D of Appendix F as well as http://www.fms.treas.gov/ussgl for the appropriate USSGL.

130.4 How do I report the status of budgetary resources?

To use the entries in this section of the SF 133, see Appendix F, Status of Budgetary Resources.

130.5 How do I report obligations, and how are obligations shown on SF 133 reports?

Agencies will provide descriptive stubs for both Category A (by quarter) and Category B (by project) obligations. For Category B obligations that do not use program reporting categories, agencies will continue to provide a stub that describes the Category B project. For both Category A and Category B obligations that use program reporting categories, agencies will provide a stub that describes the reporting category.

OMB sends a list of program reporting category stubs, as well as Category B project stubs, from approved apportionments to the Department of the Treasury's Financial Management Service (FMS) for use in FACTS II budget execution reporting. See sections 121.2, 121.3, and 121.4 for additional information. When reporting your obligations, FACTS II will present you with a list of program reporting categories and Category B projects to report upon; these Category B projects and reporting categories are taken from OMB's automated apportionment system.

OMB sends this information to FMS so OMB can use automated tools to align program report categories and Category B projects on the approved apportionments to the SF 133 reports. Prior to this change, OMB was unable to create automated reports that compare apportioned amounts (from the SF 132) and obligations (from the SF 133) by Category B project. The reason is that the SF 132s and SF 133s used different names for the Category B projects, so it was impossible to use a computer program to line up the projects by name.

When reporting your obligations to FACTS II, you may add new Category B project and\or Categories A or B program reporting category stubs. Here are some reasons why you may need to add new Category B projects and\or Categories A or B program reporting categories:

- First, you must report all obligations that took place during the reporting period. You must add Category B projects and\or Categories A or B program reporting categories if FACTS II does not provide you with a comprehensive list of Category A or B program reporting categories and\or Category B projects to report all your obligations.

- Second, if you are aware that OMB has apportioned funds using Category B projects that are not presented in FACTS II, then you should add the missing Category B projects names, and report your obligations for those projects.

- Third, if you are aware that OMB has used Category A or B program reporting categories that are not presented in FACTS II, then you should add the missing program reporting category names, and report our obligations for those categories.

The obligations submitted to FACTS II are presented in two ways on the SF 133 reports produced by FACTS II and OMB.

- First, obligations are summarized into the following categories: (1) Direct, Category A; (2) Direct, All Category B projects; (3) Direct, exempt from apportionment; (4) Reimbursable, Category A; (5) Reimbursable, All Category B projects; and (6) Reimbursable, exempt from apportionment.

- Second, the SF 133s show obligations by Apportionment Category (A or B), and then by Category B project (for Category B, only) or program reporting category (Category A and Category B).

- Third, the SF 133s show funds apportioned for future fiscal years on SF 133 line 2202.

Exhibit 130C shows how the obligations are reported for one TAFS.

130.6 How do I report the change in obligated balances?

To use the entries in this section of the SF 133, see Appendix F, Change in Obligated Balances. Lines 3000 through 3100 are required for all quarters.

130.7 How do I report budget authority and outlays, net?

To use the entries in this section of the SF 133, see Appendix F, Budget Authority and Outlays, Net. Lines 4180 and 4190 are required for all quarters.

130.8 What do I need to know about accounting adjustments under 31 U.S.C. 1534?

When an appropriation is available to an agency to pay a cost that benefits another appropriation that is also available to pay the cost, 31 U.S.C. 1534 permits the first appropriation to be charged initially, as long as the charge is moved to the appropriation benefited before the end of the fiscal year. Do not report the initial charge and succeeding adjustment.

130.9 How is reimbursable work with Federal agencies under the Economy Act shown on SF 133 reports?

When you anticipate but have not yet received an order, whether or not you received an advance, enter the amount on line 1740 or 1840 of the SF 133, "Anticipated collections, reimbursements, and other income (disc. or mand.)."

When you receive the order, move the amount of the order from line 1740 or 1840 to line 1701 or 1801, "Change in uncollected customer payments from Federal sources (disc. or mand.)." If the order is accompanied or preceded by an advance payment, move the advance payment (up to the amount of the order) to line 1700 or 1800, "Collected (disc. or mand.)."

If you do not record valid obligations to cover all or part of an order before the period of availability to make obligations of the ordering account expires, then you may not fill that part of the order. You must send back any cash advances not covered by obligations back to the ordering account. If you are the ordering agency, deobligate funds not covered by obligations by the performing account and record the corresponding adjustments. Use line 1021 of the SF 133, "Recoveries of prior year unpaid obligations," for obligations incurred in prior fiscal years. For obligations incurred in the current fiscal year, net the amount against the appropriate detailed lines 2001 through 2103, "Obligations incurred." If a cash advance accompanied the order, use line 1700 or 1800 when you collect the refund. These will be start of year unobligated balances available for adjustments but not new obligations in the expired years.

When you fill the order, move the amounts earned and collected to line 1700 or 1800, "Collected (disc. or mand.)." Move the amounts earned but *not* collected to line 1701 or 1801, "Change in uncollected customer payments from Federal sources (disc. or mand.)."

If you receive payment for a filled order *after* the period of obligational authority of the performing appropriation has *expired,* credit the payment to the expired appropriation, unless the law expressly prescribes other procedures.

If you receive payment *after* your performing account has been *canceled*, you must send the amounts to miscellaneous receipts in the Treasury.

If the period of disbursement for your account is canceled before you reimburse the appropriation that performed the work, you can only make the repayment from an unexpired appropriation that is available for the same purpose as the closed account.

When the performing and ordering agency accounts have different periods of availability, the performing account may need to establish new TAFS, as described in the following table:

ECONOMY ACT ACTIVITIES BETWEEN FEDERAL ENTITIES

If the ordering agency account has…	And the performing agency account…	Then the performing agency account must…	Should the performing agency account TAFS show unobligated balances on the September 30th SF 133?
Annual TAFS	Has annual TAFS	Use existing annual TAFS	No.
	Does not have annual account but has multi-year and no-year TAFS	Ask Treasury to establish annual TAFS	No.
Multi-year TAFS	Has Multi-year TAFS	Use existing multi-year TAFS	It depends. **Yes**, for any year prior to the last year of the multi-year TAFS unless otherwise specified in the unfilled customer order. The amount will become part of SF 133 line 1000 in the next fiscal year. **No**, for the last year of the multi-year TAFS.
	Does not have multi-year account but has annual and no-year TAFS	Use existing annual TAFS	**No**, however, for the amount of unfilled customer order not obligated, agency would show new anticipated spending authority from offsetting collections on SF 133 line 1740 or 1840 in its annual year TAFS established for the next fiscal year.
	Does not have multi-year account and annual but has no-year TAFS	Ask Treasury to establish annual TAFS	**No**, however, for the amount of unfilled customer order not obligated, agency would show new anticipated spending authority from offsetting collections on SF 133 line 1740 or 1840 in its annual year TAFS established for the next fiscal year.
No-year TAFS	Has no-year TAFS	Use existing no-year TAFS	**Yes**, unless otherwise specified in the unfilled customer order. The amount will become part of SF 133 line 1000 in the next fiscal year.
	Does not have no-year account but has annual and multi-year	Use existing annual or multi-year TAFS	It depends. **No**, for an annual or the last year of a

If the ordering agency account has…	And the performing agency account…	Then the performing agency account must…	Should the performing agency account TAFS show unobligated balances on the September 30th SF 133?
	TAFS		multi-year TAFS. However, for the amount of unfilled customer order not obligated, agency would show new anticipated spending authority from offsetting collections on SF 133 line 1740 or 1840 in its annual year TAFS established for the next fiscal year unless otherwise specified in the unfilled customer order. **Yes**, for any year prior to the last year of the multi-year TAFS unless otherwise specified in the unfilled customer order. The amount will become part of SF 133 line 1000 in the next fiscal year.

130.10 What should I report during the expired phase?

Budget execution reporting procedures. Obligated and unobligated balances must be reported on the SF 133 for each expired TAFS that has not been canceled.

September 30 SF 133 reports for annual TAFSs and the last year of multi-year TAFSs that expire at midnight on September 30 should report these TAFSs as unexpired.

Expired unobligated balances.

At the beginning of the first expired year, place the expired unobligated balance on line 1000, "Unobligated balance brought forward, October 1." This amount should equal the sum of the lines in the unobligated balances section of the final report of budget execution for the unexpired phase, i.e., the sum of lines 2201 through 2303, " Unobligated balance, Apportioned / Exempt from apportionment" And 2401 through 2403, "Unobligated balance, Unapportioned." These unobligated balances are now expired budgetary resources. They are available for obligation only for valid upward adjustments of obligations that were properly incurred against the TAFS during the unexpired phase.

Since the expired resources are no longer available for new obligations, place the amounts not used for valid adjustments on line 2403, "Unapportioned, other." In each succeeding expired year, the amount on line 1000, " Unobligated balance brought forward, October 1," should be the same as the amount on line 2403, " Unapportioned, other," of the final report of budget execution for the prior year.

130.11 How do I report adjustments to expired TAFSs?

Downward adjustments. Place downward adjustments of unpaid obligations previously incurred on line 1021, "Recoveries of prior year unpaid obligations." The amount should be included as a positive number because it increases the expired resources available only for future adjustments. Downward adjustments do not include previously paid obligations which require a refund. These refunds will be recorded on line 1700 or 1800, "Collected (disc. or mand.)," when received.

Upward adjustments. Place upward adjustments of obligations previously incurred on detailed lines 2001 through 2103, "Obligations incurred." Upward adjustments of obligations reduce unobligated balances. Subtract upward adjustments from the expired unobligated balances on line 2403, "Unapportioned, other"

The amount should represent the upward adjustments made during the fiscal year for which the report is submitted. Upward adjustments made during previous fiscal years should not be included because the amounts on line 2403, "Unapportioned, other," have already been adjusted downward.
Upward adjustments are limited in at least two ways:

- Upward adjustments are limited by the amount available for adjustments on line 2403, "Unapportioned, other," of the expired TAFS.

- No new obligations may be shown in the expired TAFS columns. Only upward adjustments of obligations that were incurred in the year in which the amount was available for obligation are valid, i.e., recording obligations that were incurred previously but reported in a different amount or erroneously not reported.

Obligation adjustments for contract changes. Upward adjustments to obligations in expired TAFSs, caused by "contract changes" that exceed certain cumulative thresholds, are subject to additional reporting and approval requirements as shown in the following table. A "contract change" means an order relating to an existing contract under which a contractor is required to perform additional work. A contract change does not include adjustments related to an escalation clause.

For the Department of Defense, obligational increases for contract changes are cumulative at the program, project, and activity level. For civilian agencies, such increases are cumulative at the appropriation level.

If the contract change will cause cumulative obligational increases to an appropriation to exceed...	**Then the agency head...**
$4 million during a fiscal year	(or a designated officer in his immediate office) must approve the contract change.
$25 million during a fiscal year	must report the contract change in writing to the appropriate authorizing committees in Congress and to the House and Senate Committees on Appropriations *before* the obligation is made. Include a description of the legal basis and policy reasons for the proposed obligation. Do *not* make or record the obligation in your accounting records until 30 days after submitting the report.

130.12 What must I do when I have extended disbursement authority?

The length of the expired phase of TAFSs may only be changed by law. You must prepare budget execution reports in accordance with Appendix F. Also, you must report such authority to Treasury's Financial Management Service to prevent premature, automatic cancellation of the TAFS.

Beginning in FY 2009, the unobligated balance for TAFSs with extended disbursing authority will not be canceled at the end of the fifth expired year. The unobligated balance will remain in the expired phase until the TAFS is closed. For further guidance, you should consult the Treasury Financial Manual.

Normally, payment of canceled balances will not be eligible for funding from Treasury's general claims fund.

130.13 How do I report expired TAFSs that are being closed?

Expired obligated and unobligated balances must be reported as canceled on the final, September 30 SF 133 before you close the TAFS. Once an amount is reported as canceled, it should not be reported again. Note: Technically, TAFSs are "closed," while appropriations and balances are "canceled."

Cancellations of unobligated balances.

On the final, September 30 SF 133 before a TAFS will be closed, you must present all unobligated balances as canceled, i.e., as a negative (–) on line 1029, "Other balances withdrawn (-)."

On all SF 133s, other than the final, September 30 SF 133 before a TAFS will be closed, you should show recoveries of prior year unpaid obligations on line 1021, "Recoveries of prior year unpaid obligations," as an expired resource. You should add any part of a recovery that is not used to adjust obligations to the expired unobligated balance shown on line 1022, " Unapportioned, other."

For guidance to cancel an unobligated balance of a TAFS with extended disbursing authority, refer to section 120.12 above.

Cancellations of obligated balances.

When a TAFS is required to be closed, you must present any remaining obligated balance as canceled by doing the following:

- Include it as a cancellation (a positive number) on line 1021, "Recoveries of prior year unpaid obligations;"
- Include it as a writeoff (a negative number) on line 1029, "Other balances withdrawn (-);" and
- Reduce the obligated balance, line 3091, "Uncollected customer payments from Federal sources, end of year (-)" to zero.

In addition to cancellations of unobligated and obligated balances, you must also address the cancellations of prepaid/advanced obligations. Because these amounts were previously reflected as disbursements, the amounts are not reflected in either of the unobligated and obligated balances.

130.14 What disbursements can I make during the canceled phase?

Legitimately incurred obligations that have not been disbursed (i.e., paid) at the time a TAFS is canceled cannot be disbursed from the canceled obligated or unobligated balances of the canceled TAFS.

After a TAFS is canceled, any obligations or adjustments to obligations that would have been properly chargeable to that TAFS may be disbursed from an unexpired TAFS that is available for obligation for the same purpose as the closed TAFS, provided that:

- The obligation or adjustment is not already chargeable to another unexpired TAFS.
- Payment of obligations against canceled TAFSs from unexpired TAFSs are limited to one percent of the appropriation in the unexpired TAFS. No more than one percent of an unexpired TAFS may be used to pay any combination of canceled obligations. This is a single, cumulative limit. It applies to one percent of the annual appropriation (not total budgetary resources) for annual TAFSs and to unexpired appropriations for multi-year TAFSs.

  For example, assume there is a multi-year TAFS with an appropriation of $10 million that covers fiscal years 1997 through 1999 that was enacted in fiscal year 1997. In fiscal year 1997, the one-percent limitation is equal to $100,000. At the end of fiscal year 1997, $90,000 was used. In fiscal year 1998, the unused, unexpired portion ($10,000) of the limitation is available for upward adjustment and disbursement of an obligation from a canceled predecessor TAFS. See section 120.21.

- Antideficiency Act provisions continue to apply to canceled TAFSs. The authority to pay obligations against closed TAFSs from one percent of unexpired TAFSs cannot be used to exceed the original appropriation.

- When you cancel obligations under the provisions of Public Law 101–510 (31 U.S.C. 1551–1557), a tracking process should be maintained. You must maintain proper U.S. Standard General Ledger (USSGL) controls for obligations pertaining to canceled appropriations to prevent overpayment. The Treasury's Financial Management Service provides USSGL accounting instructions. See http://www.fms.treas.gov/ussgl for further information.

130.15 How do I submit non-standard reports?

You must submit additional *monthly* budget execution reports when required by OMB. Submit these directly to your OMB representative. Use the SF 133 format and lines described in Appendix F. Provide a separate column of information for each unexpired and expired TAFS. The columns should be formatted in the following order: unexpired, expired, and total. Report amounts in whole dollars. The submission of a monthly report does not relieve you of providing an electronic submission through FACTS II each quarter.

OMB's policy is to use existing agency internal reports to the greatest extent feasible to support required reports. When existing agency internal reports do not include the information necessary to provide complete information on the progress and status of programs, projects, or activities, supporting information may be required by OMB.

See section 20 on definitions, concepts, and terminology for additional guidance related to preparation of the SF 133.

130.16 How do I report lower levels of detail?

You can report lower levels of detail on the SF 133 in a variety of ways as follows:

Method	Description
Category B	If your SF 132 apportions funds on line 8B "Category B" at a certain level, then you must provide the same level of detail on the SF 133, lines 2002 or 2102.
Treasury Sub-account	You may need to report certain SF 133s by Treasury sub-account. OMB and you may decide that a Treasury sub-account be established to identify a certain level of detail not only on the SF 133 but also on other reports submitted to the Treasury. The establishment of a Treasury sub-account for an account may affect Treasury reporting requirements (such as the SF 224 Statement of Transactions).
Footnotes	For information that is integral to understanding the content of the SF 133 but cannot be reported in one of the more standardized methods described above, you may footnote any amount reported on the SF 133. If your OMB representative requires a footnote, then it must be provided.

Consult with your OMB representative to determine the best method for your situation.

130.17 How do I submit an SF 133 for allocation accounts?

The parent agency must ensure that a separate SF 133 is submitted for each allocation transfer account through FACTS II. When allocation transfers are made from a parent account to allocation accounts, then an SF 133 will be submitted for each allocation account to report its activities. The parent agency will determine who will submit the information through FACTS II and how. Regardless of who submits the information through FACTS II, the activity of both the parent account and the allocation accounts will be reported on the parent agency's Statement of Budgetary Resources.

The parent agency may choose to: (a) gather information from all of the agencies that have allocation accounts and enter the information into FACTS II, or (b) require each agency with an allocation account to enter information into FACTS II and provide a copy to the parent agency.

Agencies reporting these allocation accounts will furnish information to the other agency or agencies involved in the allocation in a timely manner. Receiving agencies with allocation accounts must submit the information required to the parent agency no later than 12 calendar days following the end of the reporting period or a date required by the parent to meet its reporting and auditing deadlines, whichever comes first.

130.18 How do I submit an SF 133 for credit TAFSs?

You should submit SF 133s for credit TAFSs at the TAFS level during quarters one through three, but at the cohort level in the fourth quarter. To determine the SF 133 aggregation of credit TAFS reporting that is required for your agency, consult your OMB representative. For additional instructions for preparing the SF 133 for credit programs, see section 185.

130.19 How do I ensure that my actuals are consistent?

Amounts reported on the fourth quarter SF 133 must be consistent with information reported to Treasury as part of year-end closing procedures and must be based on actual accounting information pursuant to 31 U.S.C. 3512. Actuals submitted to OMB for inclusion in the President's annual budget, which is submitted to the Congress, should agree with those submitted to Treasury and those submitted on the fourth quarter SF 133. If one group within your agency (for example, accounting) reports amounts to Treasury while another group (for example, the budget office) prepares budget schedules, then you must take action to ensure that the amounts reported are conceptually and numerically consistent. It may be advisable to allow the budget office to review your SF 133 information before it is submitted.

(a) *What reports of actuals should generally be the same?*

- September 30 SF 133 Report on Budget Execution and Budgetary Resources.
- Statement of Budgetary Resources (SBR) (if required).
- Budget Program and Financing Schedule (PY actual column).
- Treasury Combined Statement.
- FMS 2108 Year-end Closing Statement (used to generate Treasury Combined Statement).
- SF 224 Statement of Transactions (used to generate Treasury Combined Statement).
- Your agency's accounting system.

(b) What guidance is available to help me ensure that my actuals are reported consistently?

- Exhibit 130K Crosswalk from SF 133 to the Budget Program and Financing schedule.

- Exhibit 130M Relationship between Selected SF 133 and Budget Program and Financing Schedule lines.

- Section 82.15

- Treasury Financial Manual U.S. Government Standard General Ledger Supplement, which contains crosswalks from the USSGL to the SF 133/SBR, FMS 2108, and Program and Financing Schedule. It is available at http://www.fms.treas.gov/ussgl.

(c) *What differences should I expect between the September 30 SF 133 and the Budget Appendix?*

- The SF 133 is displayed at the TAFS level, while the *Appendix* presents consolidated information covering all TAFSs (annual, multiple-year, and no-year) with the same account title. Also, an account in the *Appendix* may contain multiple TAFSs with different titles.

- OMB Circular No. A–11 requires that allocation transfer accounts be consolidated and reported by the parent account for budget formulation purposes. OMB Circular No. A–11 requires that allocation accounts be reported separately for budget execution purposes (see section 130.17). The sum of the information on all the SF 133s with the same account title should be the same as the information required for the *Appendix*.

- As the crosswalk from SF 133 to the Program and Financing schedule (Exhibit 130K) indicates, not all of the expired budgetary resources shown on the SF 133 are shown in the Budget Program and Financing schedule.
- The SF 133 is reported in dollars, while the Program and Financing schedule is in millions of dollars.

(d) *What differences should I expect among the September 30 SF 133, the Budget Appendix, and Treasury Combined Statement?*

- For trust or special funds where budget authority is limited by law, unobligated balances at the end of the fiscal year reported in the Treasury Combined Statement (column 6) may not agree with the unobligated balances reported on the SF 133 (lines 2201 through 2403) and the actual column of the Budget Program and Financing Schedule. The difference in the two amounts will represent the total end of year balance on the *Appendix*'s schedule on special and trust fund receipts (Schedule N).

(e) *What differences should I expect between the September 30 SF 133 and the Statement of Budgetary Resources?*

- The SF 133 is displayed at the TAFS level, while the Statement of Budgetary Resources is displayed at the agency level. The Statement of Budgetary Resources is displayed as a principal statement for the agency as a whole, and must be displayed as required supplementary information for major TAFSs.

- The SF 133 displays lines with zero dollars associated with them, while the Statement of Budgetary Resources does not display lines with zero dollars associated with them.

- The Statement of Budgetary Resources includes a separate column for credit financing TAFSs because they are non-budgetary.

- The Statement of Budgetary Resources includes separate lines for offsetting receipts and net outlays in order to derive the net outlays for the agency.

130.20 What is the hierarchy of spending "mixed" funding?

Where multiple types of funding are provided to a single TAFS, agencies must apply obligations, outlays, and reductions against budgetary resources in the following order:

1. Against amounts derived from special and trust fund receipts.

2. Against amounts derived from certain offsetting collections (including asset sales, interest on Federal securities, interest on uninvested funds, compulsory collections from the public, or intragovernmental expenditure transfers with no benefit).

3. Against amounts derived from the general fund of the U.S. Treasury.

The hierarchy would not apply when a law requires that specific resources be spent for specific purposes. It would also not apply to the following types of offsetting collections since the resources are generally provided for a specific purpose and are not fungible with the other resources in the account:

1. Received in returns for goods or services provided, including
   a. Reimbursements under the IPA and
   b. Voluntary insurance premiums.

2. From other Federal government accounts where collections are for a jointly funded grant or project. This does not include intragovernmental expenditure transfers with no benefit.

Your accounting office will find the guidance related to the hierarchy of "mixed" funding in OMB Circular No. A-136 "Financial Reporting Requirements" section II.4.5.3.

Annual Account--September 30 Report

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government
BUREAU: Office of the Secretary

APPROPRIATION OR FUND TITLE AND SYMBOL
80Y0137 Salaries and expenses

	FY 2010 Unexpired Account	FY 2009 Expired Account	FY 2008 Expired Account	FY 2007 Expired Account	FY 2006 Expired Account	FY 2005 Expired Account	Total
SCHEDULE OF BUDGETARY RESOURCES							
1000 Unob Bal: Brought forward, October 1 (+ or -)		110,000	205,000	75,000	87,000	10,000	487,000
1021 Unob Bal: Recoveries of prior year unpaid obligations						3,500	3,500
1029 Unob Bal: Other balances withdrawn (-)						-11,000	-11,000
1050 [Unob Bal: Unobligated balance, total]		[110,000]	[205,000]	[75,000]	[87,000]	[2,500]	[487,000]
1100 BA: Appropriation (disc.)	7,400,000						7,400,000
1130 BA: Appropriations permanently reduced (disc.) (-)	-1,000						-1,000
1160 [BA: Appropriation (disc.) (total)]	[7,399,000]						[7,399,000]
1700 BA: Spending auth: Collected (disc.)	403,000						403,000
1910 Total budgetary resources (disc. and mand.)	7,802,000	110,000	205,000	75,000	87,000	2,500	8,281,500
STATUS OF BUDGETARY RESOURCES							
2001 Direct obligations incurred: Category A (by quarter)	7,198,315	50,000	85,000	45,000	27,000	2,500	7,407,815
2201 Unob Bal: Apportioned: Available in the current period	200,685						200,685
2403 Unob Bal: Unapportioned: Other		60,000	120,000	30,000	60,000		270,000
2500 Total budgetary resources	7,399,000	110,000	205,000	75,000	87,000	2,500	7,878,500
CHANGE IN OBLIGATED BALANCE							
3000 Ob Bal: SOY: Unpaid obligations, brought forward, Oct 1 (gross)		100,000	365,000	40,000	7,000	5,000	517,000
3020 [Obligated balance, start of year (net)]		100,000	365,000	40,000	7,000	5,000	517,000
3030 Ob Bal: Obligations incurred: Unexpired accounts	7,198,315						7,198,315
3031 Ob Bal: Obligations incurred: Expired accounts		50,000	85,000	45,000	27,000	2,500	209,500
3040 Ob Bal: Outlays (gross) (-)	-7,476,850	-100,000	-170,000	-65,000	-32,000	-4,000	-7,847,850
3081 Ob Bal: Recoveries of prior year unpaid obligations: Expired accounts (-)						-3,500	-3,500
3090 Ob. Bal: EOY: Unpaid obligations (gross)	124,465	50,000	280,000	20,000	2,000		476,465
3100 [Obligated balance, end of year (net)]	[124,465]	[50,000]	[280,000]	[20,000]	[2,000]		[476,465]
BUDGET AUTHORITY AND OUTLAYS, NET							
4000 Budget authority, gross (disc.)	7,802,000						7,802,000
4010 Outlays from new discretionary authority (disc.)	7,476,850						7,476,850
4011 Outlays from discretionary balances (disc.)		100,000	170,000	65,000	32,000	4,000	371,000
4030 Offsets, BA only: Offsetting collections from Federal sources (disc.)	-403,000						-403,000
4070 Budget authority, net (disc.)	7,399,000						7,399,000
4080 Outlays, net (disc.)	7,073,850	100,000	170,000	65,000	32,000	4,000	7,444,850
4180 Budget authority, net (disc. and mand.)	7,399,000						7,399,000
4190 Outlays, net (disc. and mand.)	7,073,850	100,000	170,000	65,000	32,000	4,000	7,444,850

The final September 30 SF 133 before an account will be closed will include these lines to indicate the amount to be canceled.

Amounts for lines 2401-2403 should be consistent with amounts on the latest SF 132.

NOTE: Line 1000, P.L. 1XX-123.
NOTE: Line1029, Withdrawn pursuant to 31 U.S.C. 1552.

Identify in a footnote, the law(s) providing budget authority.

Note: Exhibit 121E illustrates the apportionment of this account.

Annual Account with Reimbursements--September 30 Report

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Government Bureau	80Y0123 Salaries and expenses			
	Year 1 Unexpired Account	Year 2 Expired Account		
SCHEDULE OF BUDGETARY RESOURCES				
1000 Unob Bal: Brought forward, October 1 (+ or -)		200,000		
1100 BA: Appropriation (disc.)	10,000,000			
1700 BA: Spending auth: Collected (disc.)	1,000,000	130,000		
1701 BA: Spending auth: Change in uncollected cust payments, Fed srcs (disc.) (+or -)	130,000	-130,000		
1750 [BA: Spending authority from offsetting collections (disc.) (total)]	[1,130,000]	[-]		
1910 Total budgetary resources (disc. and mand.)	11,130,000	200,000		
STATUS OF BUDGETARY RESOURCES				
2001 Direct obligations incurred: Category A (by quarter)	9,800,000	50,000		
2102 Reimbursable obligations incurred: Category B: Reimbursables	1,130,000			
2201 Unob Bal: Apportioned: Available in the current period	200,000			
2403 Unob Bal: Unapportioned: Other		150,000		
2500 Total budgetary resources	11,130,000	200,000		
CHANGE IN OBLIGATED BALANCE				
3000 Unpaid obligations, brought forward, October 1 (gross)		350,000		
3010 Ob Bal: SOY: Uncollected customer payments, brought forward, Oct 1 (-)		-130,000		
3020 [Obligated balance, start of year (net)]		[220,000]		
3030 Ob Bal: Obligations incurred: Unexpired accounts	9,800,000			
3031 Ob Bal: Obligations incurred: Expired accounts		50,000		
3040 Ob Bal: Changes: Outlays (gross) (-)	-10,580,000	-55,000		
3050 Ob Bal: Change in uncollected cust payments, Fed srcs: Unexpired accounts (+ or -)	-130,000			
3051 Ob Bal: Change in uncollected cust payments, Fed srcs: Expired accounts (+ or -)		130,000		
3090 Ob Bal: EOY: Unpaid obligations (gross)	-780,000	345,000		
3091 Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)	-130,000			
3100 [Obligated balance, end of year (net)]	[220,000]	[350,000]		
BUDGET AUTHORITY AND OUTLAYS, NET				
4000 Budget authority, gross (disc.)	11,130,000			
4010 Outlays from new discretionary authority (disc.)	10,580,000			
4011 Outlays from discretionary balances (disc.)		55,000		
4030 Offsets, BA and OL: Offsetting collections from Fed srcs (disc.)	-130,000			
4033 Offsets, BA and OL: Offsetting collections from non-Fed srcs (disc.)	-1,000,000	-130,000		
4040 [Offsets against gross budget authority and outlays (disc.) (total)]	[-1,130,000]	[-130,000]		
4070 Budget authority, net (disc.)	10,000,000			
4080 Outlays, net (disc.)	9,450,000	-75,000		
4180 Budget authority, net (disc. and mand.)	10,000,000	-		
4190 Outlays, net (disc. and mand.)	9,450,000	-75,000		

NOTE: Line 1100, P.L. 1XX-123.

Identify in a footnote, the law(s) providing budget authority.

Collections of receivables from the prior year from Federal sources are entered as a positive amount on line 1700 and as a negative adjustment on line 1701.

Normally, amounts should reflect *obligated amounts only* on the September 30 report except for amounts in expired accounts that are offset by a reimbursable receivable or collection of an outstanding reimbursable receivable from the prior year.

Available only for upward adjustment of valid obligations incurred during the unexpired period.

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 6/30/CY

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL
BUREAU: Bureau of Central Services	80X1309 Research and development

	X Unexpired Account
SCHEDULE OF BUDGETARY RESOURCES	
1000 Unob Bal: Brought forward, October 1 (+ or -)	1,610,000
1021 Unob Bal: Recoveries of prior year unpaid obligations	76,000
1041 Unob Bal: Anticipated recoveries of prior year unpaid obligations	74,000
1050 [Unob Bal: Unobligated balance, total]	[1,760,000]
1100 BA: Appropriation (disc.)	25,000,000
1130 Appropriations permanently reduced (disc.) (-)	-200,000
1700 BA: Spending auth: Collected (disc.)	209,000
1740 BA: Spending auth: Anticipated collections, reimbursements, and other income (disc.)	191,000
1750 [BA: Spending authority from offsetting collections (disc.) (total)]	[400,000]
1910 Total budgetary resources (disc. and mand.)	26,960,000
STATUS OF BUDGETARY RESOURCES	
2001 Direct obligations incurred: Category A (by quarter) Salaries	294,320
2001 Direct obligations incurred: Category A (by quarter) All Other	59,680
2002 Direct obligations incurred: Category B Research -- Air	5,497,700
2002 Direct obligations incurred: Category B Research -- Water	5,743,350
2002 Direct obligations incurred: Category B Research -- All Other	788,750
2002 Direct obligations incurred: Category B Development of products -- Air	3,890,250
2002 Direct obligations incurred: Category B Development of products -- Water	3,093,750
2101 Reimbursable obligations incurred: Category A (by quarter) Salaries	5,000
2102 Reimbursable obligations incurred: Category B Development of products -- Air	98,000
2102 Reimbursable obligations incurred: Category B Development of products -- Water	95,750
2102 Reimbursable obligations incurred: Category B Development of products -- All Other	89,450
2201 Unob Bal: Apportioned: Available in the current period	3,304,000
2202 Unob Bal: Apportioned: Available in subsequent periods	4,000,000
2500 Total budgetary resources	26,960,000
CHANGE IN OBLIGATED BALANCE	
3000 Unpaid obligations, brought forward, October 1 (gross)	407,500
3030 Ob Bal: Obligations incurred: Unexpired accounts	19,656,000
3040 Ob Bal: Changes: Outlays (gross) (-)	-19,605,100
3080 Ob Bal: Recoveries of prior year unpaid obligations: Unexpired accounts (-)	-76,000
3090 Ob Bal: EOY: Unpaid obligations (gross)	382,400
3100 [Obligated balance, end of year (net)]	[382,400]
BUDGET AUTHORITY AND OUTLAYS, NET	
4000 Budget authority, gross (disc.)	25,200,000
4010 Outlays from new discretionary authority (disc.)	17,995,100
4011 Outlays from discretionary balances (disc.)	1,610,000
4020 [Total outlays, gross (disc.)]	[19,605,100]
4030 Offsets, BA and OL: Offsetting collections from Fed srcs (disc.)	-209,000
4030 Offsets, BA only: Anticipated offsetting collections (disc.)	-191,000
4070 Budget authority, net (disc.)	24,800,000
4080 Outlays, net (disc.)	19,396,100
4180 Budget authority, net (disc. and mand.)	24,800,000
4190 Outlays, net (disc. and mand.)	19,396,100

NOTE: Line 1100, P.L. 1XX-123.

Note: Exhibit 121G illustrates the apportionment of this account.

For unexpired accounts, these entries reflect estimated and anticipated downward adjustments of obligations reported in prior years.

Identify in a footnote, the law(s) providing

Line 1910 should equal line 2500.

Note that the program reporting categories used in Exhibit 121O are re-printed on this portion of the SF 133.

This entry is the difference between apportionments through the end of the current quarter and the obligations incurred under those apportionments through the end of the reporting period.

Amounts for lines 2200 through 2202 should be consistent with amounts on the latest SF 132.

This amount must agree with the amount reported on line 3100 of the final SF 133 for the preceding year.

Multi-Year Account Apportioned for Two Fiscal Years

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 6/30/CY

AGENCY: Department of Government BUREAU: Bureau of Central Services		APPROPRIATION OR FUND TITLE AND SYMBOL 89-10/11-0100 Salaries and Expenses
		89-10/11-0100 Unexpired Account
	SCHEDULE OF BUDGETARY RESOURCES	
1100	BA: Appropriation (disc.)	100,000
1910	Total budgetary resources (disc. and mand.)	100,000
	STATUS OF BUDGETARY RESOURCES	
2001	Direct obligations incurred: Category A (by quarter)	48,000
2201	Unob Bal: Apportioned: Available in the current period	2,000
2202	Unob Bal: Apportioned: Available in subsequent periods	50,000
2500	Total budgetary resources	100,000
	CHANGE IN OBLIGATED BALANCE	
3030	Ob Bal: Obligations incurred: Unexpired accounts	48,000
3040	Ob Bal: Outlays (gross) (-)	-20,000
3090	Ob Bal: EOY: Unpaid obligations (gross)	28,000
3100	[Obligated balance, end of year (net)]	[28,000]
	BUDGET AUTHORITY AND OUTLAYS, NET	
4000	Budget authority, gross (disc.)	100,000
4010	Outlays from new discretionary authority (disc.)	20,000
4070	Budget authority, net (disc.)	100,000
4080	Outlays, net (disc.)	20,000
4180	Budget authority, net (disc. and mand.)	100,000
4190	Outlays, net (disc. and mand.)	20,000

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

NOTE: Line 1100, P.L. 1XX-123.

Public Enterprise (Revolving) or Intragovernmental (Revolving) Fund--Quarterly Report

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 3/31/CY

AGENCY: Department of Government
BUREAU: Government Enterprise Corp.

APPROPRIATION OR FUND TITLE AND SYMBOL
80X4321 Government Enterprise Corp. fund.

		X Unexpired Account
	SCHEDULE OF BUDGETARY RESOURCES	
1000	Unob Bal: Brought forward, October 1 (+ or -)	83,583,738
1022	Unob Bal: Capital transfer of unobligated balances to general fund (-)	-15,000,000
1023	Unob Bal: Unobligated balances applied to repay debt (-)	-5,756,800
1050	[Unob Bal: Unobligated balance, total]	[62,826,938]
1100	BA: Appropriation (disc.)	4,100,000
1700	BA: Spending auth: Collected (disc.)	33,250,500
1701	BA: Spending auth: Change in uncollected cust payments, Fed srcs (disc.) (+or -)	700,000
1740	BA: Spending auth: Anticipated collections, reimbursements, and other income (disc.)	36,855,800
1750	[BA: Spending authority from offsetting collections (disc.) (total)]	[70,806,300]
1910	Total budgetary resources (disc. and mand.)	137,733,238
	STATUS OF BUDGETARY RESOURCES	
2101	Reimbursable obligations incurred: Category A (by quarter)	1,200,000
2102	Reimbursable obligations incurred: Category B: Management services	12,000,000
2102	Reimbursable obligations incurred: Category B: Sales program	5,000,000
2102	Reimbursable obligations incurred: Category B: Power program	10,000,000
2201	Unob Bal: Apportioned: Available in the current period	29,016,600
2202	Unob Bal: Apportioned: Available in subsequent periods	1,234,600
2403	Unob Bal: Unapportioned: Other	79,282,038
2500	Total budgetary resources	137,733,238
	CHANGE IN OBLIGATED BALANCE	
3000	Ob Bal: SOY: Unpaid obligations, brought forward, Oct 1 (gross)	5,621,800
3020	[Obligated balance, start of year (net)]	[5,621,800]
3030	Ob Bal: Obligations incurred: Unexpired accounts	28,200,000
3040	Ob Bal: Outlays (gross) (-)	27,384,596
3050	Ob Bal: Change in uncollected cust payments, Fed srcs: Unexpired accounts (+ or -)	-700,000
3090	Ob Bal: EOY: Unpaid obligations (gross)	6,437,204
3091	Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)	-700,000
3100	[Obligated balance, end of year (net)]	[5,737,204]
	BUDGET AUTHORITY AND OUTLAYS, NET	
4000	Budget authority, gross (disc.)	74,906,300
4010	Outlays from new discretionary authority (disc.)	20,384,596
4011	Outlays from discretionary balances (disc.)	7,000,000
4020	[Total outlays, gross (disc.)]	[27,384,596]
4030	Offsets, BA and OL: Offsetting collections from Fed srcs (disc.)	-33,250,500
4050	Offsets, BA only: Change in uncoll cust payments from Fed srcs (unexpired) (disc.)(+ or -)	-700,000
4052	Offsets, BA only: Anticipated offsetting collections (disc.)	-36,855,800
4060	[Additional offsets against BA only (disc.) (total)]	[-37,555,800]
4070	Budget authority, net (disc.)	4,100,000
4080	Outlays, net (disc.)	-5,865,904
4180	Budget authority, net (disc. and mand.)	4,100,000
4190	Outlays, net (disc. and mand.)	-5,865,904

NOTE: Line 1100, P.L. 1XX-123.

Identify in a footnote, the law(s) providing budget authority.

Lines 2002 and 2102 must be consistent with the Apportionment Category B detail amounts.

For revolving funds, this amount will agree with the amount reported on lines 9, 10, and 11 of the latest approved SF 132 plus upward adjustments in income until a reapportionment request is approved.

Note: Exhibit 121K illustrates the apportionment of this account.

Annual Account - Advance Appropriation

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 06/30/10

AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL			
BUREAU: Bureau of Central Services	80-10-1309 Research and Development			
	Unexpired			
SCHEDULE OF BUDGETARY RESOURCES				
1170 BA: Advance appropriation (disc.)	7,400,000			
1910 Total budgetary resources (disc. and mand.)	**7,400,000**			
STATUS OF BUDGETARY RESOURCES				
2001 Direct obligations incurred: Category A (by quarter)	7,000,000			
2201 Unob Bal: Apportioned: Available in the current period	400,000			
2500 Total budgetary resources	**7,400,000**			
CHANGE IN OBLIGATED BALANCE				
3030 Ob Bal: Obligations incurred: Unexpired accounts	7,000,000			
3040 Ob Bal: Outlays (gross) (-)	-5,000,000			
3090 Ob Bal: EOY: Unpaid obligations (gross)	2,000,000			
3100 [Obligated balance, end of year (net)]	[2,000,000]			
BUDGET AUTHORITY AND OUTLAYS, NET				
4000 Budget authority, gross (disc.)	7,400,000			
4010 Outlays from new discretionary authority (disc.)	5,000,000			
4070 Budget authority, net (disc.)	7,400,000			
4080 Outlays, net (disc.)	5,000,000			
4180 Budget authority, net (disc. and mand.)	7,400,000			
4190 Outlays, net (disc. and mand.)	5,000,000			

NOTE: Line 1106, P.L. 1XX-XXX

Report advance appropriations in the period in which the funds become available for obligation and not before.

For example, an advance appropriation of 7,400,000 in fiscal year 2009 appropriations act that will become available for obligations in fiscal year 2010 should be included on line 1170 in the fiscal year 2010 SF 133.

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

Annual Account--Reappropriation

When a law extends the period of availability of an amount, that in the absence of the law would have expired, the amount is reappropriated.

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government BUREAU: Bureau of Central Services	APPROPRIATION OR FUND TITLE AND SYMBOL 80-9-1309 Research and development
	FY 2009 Unexpired
SCHEDULE OF BUDGETARY RESOURCES	
1100 BA: Appropriation (disc.)…………	200
1910 Total budgetary resources (disc. and mand.)…………	**200**
STATUS OF BUDGETARY RESOURCES	
2201 Unob Bal: Apportioned: Available in the current period…………	200
2500 Total budgetary resources…………	**200**

NOTE: Line 1100, P.L. 1XX-123.

The amount that had been part of an unobligated balance (line 2180) in a previous period . . .

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 12/31/CY

AGENCY: Department of Government BUREAU: Bureau of Central Services	APPROPRIATION OR FUND TITLE AND SYMBOL 80-Y-1309 Research and development	
	FY 2010 Unexpired	FY 2009 Expired
SCHEDULE OF BUDGETARY RESOURCES		
1000 Unob Bal: Brought forward, Oct 1 (+ or -) …………		200
1105 BA: Reappropriation (disc.)…………	200	
1131 Unobligated balance of appropriations permanently reduced (disc.) (-)…………		-200
1910 Total budgetary resources (disc. and mand.)…………	**200**	**-**
STATUS OF BUDGETARY RESOURCES		
2201 Unob Bal: Apportioned: Available in the current period…………	200	
2500 Total budgetary resources…………	**200**	**-**

NOTE: Line 1000, P.L. 1XX-123.

. . . should be reported as a new appropriation (line 1105) in the period in which it becomes available.

Report the reduction on line 1131.

Chart of REVISED SF 133 General Requirments

This line… is generally used only with…

Line No	Bureau/ Account Title / Cat B Stub / Line Split	An Unexpired Account	An Expired Account	No entry in 4th Qtr	A Negative Amount
	SCHEDULE OF BUDGETARY RESOURCES				
	Unobligated balance:				
1000	Unobligated balance brought forward, October 1				
	[line split = E for estimate]				
	[line split = A for actual balance]				
	Nonexpenditure transfers of unobligated balance to or from other accounts:				
1010	Unobligated balance transferred to other accounts (-)				
1011	Unobligated balance transferred from other accounts				
1012	Expired unobligated balance transferred to unexpired accounts				
1013	Unexpired unobligated balance transferred to expired accounts (-)				
	Adjustments to unobligated balance:				
1020	Adjustment to unobligated balance brought forward, October 1 (+ or -)				
1021	Recoveries of prior year unpaid obligations				
1022	Capital transfer of unobligated balances to general fund (-)				
1023	Unobligated balances applied to repay debt (-)				
1024	Unobligated balance of borrowing authority withdrawn (-)				
1025	Unobligated balance of contract authority withdrawn (-)				
1026	Adjustment in unobligated balances for change in allocation				
1027	Adjustment in unobligated balances for change in investments of zero coupon bonds (special and non-revolving trust funds)				
1028	Adjustment in unobligated balances for change in investments of zero coupon bonds (revolving funds)				
1029	Other balances withdrawn (-)				
1030	Adjustment to foreign exchange valuation for Exchange Stabilization Fund				
1031	Refunds and recoveries temporarily precluded from obligation (special and trust funds) (-)				
	Anticipated transfers and adjustments:				
1040	Anticipated nonexpenditure transfers of unobligated balances (net) (+ or -)				
1041	Anticipated recoveries of prior year unpaid obligations				
1042	Anticipated capital transfers and redemption of debt (unobligated balances) (-)				
1050	Unobligated balance, total				
	Budget authority:				
	Appropriations:				
	Appropriations (disc.):				
1100	Appropriation (disc.)				
1101	Appropriation (special fund) (disc.)				
1102	Appropriation (trust fund) (disc.)				
1103	Appropriation available from subsequent year (disc.)				
1104	Appropriation available in prior year (disc.) (-)				
1105	Reappropriation (disc.)				
	Nonexpenditure transfers of appropriations to or from other accounts (disc.):				
1120	Appropriations transferred to other accounts (disc.) (-)				
1121	Appropriations transferred from other accounts (disc.)				
	Adjustments to appropriations (disc.):				
1130	Appropriations permanently reduced (disc.) (-)				
1131	Unobligated balance of appropriations permanently reduced (disc.) (-)				
1132	Appropriations temporarily reduced (disc.) (-)				
1133	Unobligated balance of appropriations temporarily reduced (disc.) (-)				
1134	Appropriations precluded from obligation (disc.) (-)				
1135	Appropriations applied to repay debt (disc.) (-)				
1136	Appropriations applied to deficiency by law (disc.) (-)				
1137	Appropriations applied to liquidate contract authority (disc.) (-)				
1138	Appropriations applied to liquidate contract authority withdrawn (disc.) (-)				
1139	Appropriations substituted for borrowing authority (disc.) (-)				
	Anticipated appropriations (disc.):				
1150	Anticipated appropriation (disc.)				
1151	Anticipated nonexpenditure transfers of appropriations (net) (disc.) (+ or -)				
1152	Anticipated capital transfers and redemptions of debt (appropriations) (disc.) (-)				
1160	Appropriation (disc.) (total)				
	Advance Appropriations (disc.):				
1170	Advance appropriation (disc.)				
1171	Advance appropriation (special fund) (disc.)				
1172	Advance appropriation (trust fund) (disc.)				
	Adjustments to advance appropriations (disc.):				
1173	Advance appropriations permanently reduced (disc.) (-)				
1174	Advance appropriations temporarily reduced (disc.) (-)				
1180	Advanced appropriation (disc.) (total)				

Chart of REVISED SF 133 General Requirments

This line… **is generally used only with…**

Line No	Bureau/ Account Title / Cat B Stub / Line Split	An Unexpired Account	An Expired Account	No entry in 4th Qtr	A Negative Amount
	Appropriations (mand.):				
1200	Appropriation (mand.)				
1201	Appropriation (special fund) (mand.)				
1202	Appropriation (trust fund) (mand.)				
1203	Appropriation (previously unavailable) (mand.)				
1204	Reappropriation (mand.)				
	Nonexpenditure transfers of appropriations to or from other accounts (mand.):				
1220	Appropriations transferred to other accounts (mand.) (-)				
1221	Appropriations transferred from other accounts (mand.)				
	Adjustments to appropriations (mand.):				
1231	Appropriations permanently reduced (mand.) (-)				
1232	Unobligated balance of appropriations permanently reduced (mand.) (-)				
1233	Appropriations temporarily reduced (mand.) (-)				
1234	Unobligated balance of appropriations temporarily reduced (mand.) (-)				
1235	Appropriations precluded from obligation (mand.) (-)				
1236	Appropriations applied to repay debt (mand.) (-)				
1237	Appropriations applied to deficiency by law (mand.) (-)				
1238	Appropriations applied to liquidate contract authority (mand.) (-)				
1239	Appropriations substituted for borrowing authority (mand.) (-)				
	Anticipated appropriations (mand.):				
1250	Anticipated appropriation (mand.)				
1251	Anticipated nonexpenditure transfers of appropriations (net) (mand.) (+ or -)				
1252	Anticipated capital transfers and redemptions of debt (appropriations) (mand.) (-)				
1260	Appropriations (mand.) (total)				
	Advance Appropriations (mand.):				
1270	Advance appropriation (mand.)				
1271	Advance appropriation (trust fund) (mand.)				
	Adjustments to advance appropriations (mand.):				
1272	Advance appropriations permanently reduced (mand.) (-)				
1273	Advance appropriations temporarily reduced (mand.) (-)				
1280	Advanced appropriation (mand.) (total)				
	Borrowing authority:				
	Borrowing authority (disc.):				
1300	Borrowing authority (disc.)				
	Adjustments to borrowing authority (disc.):				
1320	Borrowing authority permanently reduced (disc.) (-)				
	Anticipated borrowing authority (disc.):				
1330	Anticipated reductions to current fiscal year borrowing authority (disc.) (-)				
1340	Borrowing authority (disc.) (total)				
	Borrowing authority (mand.):				
1400	Borrowing authority (mand.)				
1401	Borrowing authority (12 USC 2281-96) (mand.)				
	Adjustments to borrowing authority (mand.):				
1420	Borrowing authority permanently reduced (mand.) (-)				
	Anticipated borrowing authority:				
1430	Anticipated reductions to current fiscal year borrowing authority (mand.) (-)				
1440	Borrowing authority (mand.) (total)				
	Contract authority:				
	Contract authority (disc.):				
1500	Contract authority (disc.)				
	Nonexpenditure transfers of contract authority to or from other accounts (disc.) :				
1510	Contract authority transferred to other accounts (disc.) (-)				
1511	Contract authority transferred from other accounts (disc.)				
	Adjustments to contract authority (disc.):				
1520	Contract authority permanently reduced (disc.) (-)				
1521	Unobligated balance of contract authority permanently reduced (disc.) (-)				
1522	Contract authority precluded from obligation (limitation on obligations) (disc.) (-)				
	Anticipated contract authority (disc.):				
1530	Anticipated nonexpenditure transfers of contract authority (net) (disc.) (+ or -)				
1531	Anticipated adjustments to current year contract authority (disc.) (+ or -)				
1540	Contract authority (disc.) (total)				

Chart of REVISED SF 133 General Requirments

This line… **is generally used only with…**

Line No	Bureau/ Account Title / Cat B Stub / Line Split	An Unexpired Account	An Expired Account	No entry in 4th Qtr	A Negative Amount
	Contract authority (mand.):				
1600	Contract authority (mand.)				
	Nonexpenditure transfers of contract authority to or from other accounts (mand.):				
1610	Contract authority transferred to other accounts (mand.) (-)				
1611	Contract authority transferred from other accounts (mand.)				
	Adjustments to contract authority (mand.):				
1620	Contract authority permanently reduced (mand.) (-)				
1621	Unobligated balance of contract authority permanently reduced (mand.) (-)				
1622	Contract authority precluded from obligation (limitation on obligations) (mand.) (-)				
	Anticipated contract authority (mand.):				
1630	Anticipated nonexpenditure transfers of contract authority (net) (mand.) (+ or -)				
1631	Anticipated adjustments to current year contract authority (mand.) (+ or -)				
1640	Contract authority (mand.) (total)				
	Spending authority from offsetting collections:				
	Spending authority from offsetting collections (disc.):				
1700	Collected (disc.)				
1701	Change in uncollected customer payments from Federal sources (disc.) (+or -)				
1702	Offsetting collections (previously unavailable) (disc.)				
	Nonexpenditure transfers of spending authority from offsetting collections to or from other accounts (disc.):				
1710	Spending authority from offsetting collections transferred to other accounts (disc.) (-)				
1711	Spending authority from offsetting collections transferred from other accounts (disc.)				
	Adjustments to spending authority from offsetting collections (disc.):				
1720	Capital transfer of spending authority from offsetting collections to general fund (disc.) (-)				
1721	Spending authority from offsetting collections applied to deficiency by law (disc.) (-)				
1722	Spending authority from offsetting collections permanently reduced (disc.) (-)				
1723	Spending authority from offsetting collections temporarily reduced (disc.) (-)				
1724	Unobligated balance of spending authority from offsetting collections temporarily reduced (disc.) (-)				
1725	Spending authority from offsetting collections precluded from obligation (limitation on obligations) (disc.) (-)				
1726	Spending authority from offsetting collections applied to repay debt (disc.) (-)				
1727	Spending authority from offsetting collections applied to liquidate contract authority (disc.) (-)				
1728	Spending authority from offsetting collections substituted for borrowing authority (disc.) (-)				
	Anticipated spending authority from offsetting collections (disc.):				
1740	Anticipated collections, reimbursements, and other income (disc.)				
1741	Anticipated nonexpenditure transfers of spending authority from offsetting collections (net) (disc.) (+ or -)				
1742	Anticipated capital transfers and redemption of debt (spending authority from offsetting collections) (disc.) (-)				
1750	Spending authority from offsetting collections (disc.) (total)				
	Spending authority from offsetting collections (mand.):				
1800	Collected (mand.)				
1801	Change in uncollected customer payments from Federal sources (mand.) (+or -)				
1802	Offsetting collections (previously unavailable) (mand.)				
	Nonexpenditure transfers of spending authority from offsetting collections to or from other accounts (mand.):				
1810	Spending authority from offsetting collections transferred to other accounts (mand.) (-)				
1811	Spending authority from offsetting collections transferred from other accounts (mand.)				
	Adjustments to spending authority from offsetting collections (mand.):				
1820	Capital transfer of spending authority from offsetting collections to general fund (mand.) (-)				
1821	Spending authority from offsetting collections applied to deficiency by law (mand.) (-)				
1822	Spending authority from offsetting collections temporarily reduced (mand.) (-)				
1823	Unobligated balance of spending authority from offsetting collections temporarily reduced (mand.) (-)				
1824	Spending authority from offsetting collections precluded from obligation (limitation on obligations) (mand.) (-)				
1825	Spending authority from offsetting collections applied to repay debt (mand.) (-)				
1826	Spending authority from offsetting collections applied to liquidate contract authority (mand.) (-)				
1827	Spending authority from offsetting collections substituted for borrowing authority (mand.) (-)				
	Anticipated spending authority from offsetting collections (mand.):				
1840	Anticipated collections, reimbursements, and other income (mand.)				
1841	Anticipated nonexpenditure transfers of spending authority from offsetting collections (net) (mand.) (+ or -)				
1842	Anticipated capital transfers and redemption of debt (spending auth. from offset. coll.) (mand.) (-)				
1850	Spending authority from offsetting collections (mand.) (total)				
1900	Budget authority total (disc. and mand.)				
1901	Adjustment for budgetary resources applied to liquidate deficiencies (-)				
1910	Total budgetary resources (disc. and mand.)				

Chart of REVISED SF 133 General Requirments

This line… **is generally used only with…**

Line No	Bureau/ Account Title / Cat B Stub / Line Split	An Unexpired Account	An Expired Account	No entry in 4th Qtr	A Negative Amount
	STATUS OF BUDGETARY RESOURCES				
	Obligations incurred				
	Direct				
2001	Category A (by quarter)				
2002	Category B (by project)				
2003	Exempt from apportionment				
2004	Direct obligations (total)				
	Reimbursable				
2101	Category A (by quarter)				
2102	Category B (by project)				
2103	Exempt from apportionment				
2104	Direct obligations (total)				
	Unobligated balance				
	Apportioned				
2201	Available in the current period				
2202	Available in subsequent periods				
2203	Anticipated				
	Exempt from apportionment				
2301	Available in the current period				
2303	Available in subsequent periods				
2303	Anticipated				
	Unapportioned				
2401	Deferred				
2402	Withheld pending rescission				
2403	Other				
2500	Total budgetary resources				
	Memorandum entries:				
2501	Subject to apportionment				
2502	Exempt from apportionment				
	CHANGE IN OBLIGATED BALANCE				
	Obligated balance, start of year (net):				
	Unpaid obligations, start of year:				
3000	Unpaid obligations, brought forward, October 1 (gross)				
3001	Adjustments to unpaid obligations, brought forward, October 1 (+ or -)				
	Uncollected customer payments from Federal sources, start of year:				
3010	Uncollected customer payments, brought forward, October 1 (-)				
3011	Adjustments to uncollected customer payments, brought forward, October 1 (+ or -)				
3020	Obligated balance, start of year (net)				
	Changes in obligated balance during the year:				
	Obligations incurred (gross):				
3030	Unexpired accounts				
3031	Expired accounts				
3040	Outlays (gross) (-)				
	Change in uncollected customer payments from Federal sources:				
3050	Unexpired accounts (+ or -)				
3051	Expired accounts (+ or -)				
	Nonexpenditure transfers of obligated balance to or from other accounts:				
	Unpaid obligations transferred to or from other accounts:				
3060	Unpaid obligations transferred to other accounts (-)				
3061	Unpaid obligations transferred from other accounts				
	Uncollected customer payments from Federal sources transferred to or from other accounts:				
3070	Uncollected customer payments from Federal sources transferred to other accounts				
3071	Uncollected customer payments from Federal sources transferred from other accounts (-)				
	Recoveries of prior year unpaid obligations:				
3080	Unexpired accounts (-)				
3081	Expired accounts (-)				
	Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)				
3091	Uncollected customer payments from Federal sources, end of year (-)				
3100	Obligated balance, end of year (net)				

Chart of REVISED SF 133 General Requirments

This line… **is generally used only with…**

Line No	Bureau/ Account Title / Cat B Stub / Line Split		An Unexpired Account	An Expired Account	No entry in 4th Qtr	A Negative Amount
	BUDGET AUTHORITY AND OUTLAYS, NET					
	Discretionary budget authority, outlays, and offsets:					
	Budget authority, gross (disc.)					
4000	Budget authority, gross (disc.)					
	Outlays, gross (disc.)					
4010	Outlays from new discretionary authority					
4011	Outlays from discretionary balances					
4020	Total outlays, gross (disc.)					
	Offsets (disc.):					
	Offsets against gross budget authority and outlays (disc.):					
	Offsetting collections from:					
4030	Federal sources (disc.)					
4031	Interest on Federal securities (disc.)					
4032	Interest on uninvested funds (disc.)					
4033	Non-Federal sources (disc.)					
4034	Offsetting governmental collections (from non-Federal sources) (disc.)					
4040	Offsets against gross budget authority and outlays (disc.) (total)					
	Additional offsets against gross budget authority only (disc.):					
4050	Change in uncollected customer payments from Federal sources (unexpired) (disc.) (+ or -)					
4051	Change in uncollected customer payments from Federal sources (expired) (disc.) (+ or -)					
4052	Offsetting collections credited to expired accounts (disc.) (-)					
4053	Anticipated offsetting collections (disc.)					
4060	Additional offsets against budget authority only (disc.) (total)					
4070	Budget authority, net (disc.)					
4080	Outlays, net (disc.)					
	Mandatory budget authority, outlays, and offsets:					
	Budget authority, gross (mand.)					
4090	Budget authority, gross (mand.)					
	Outlays, gross (mand.)					
4100	Outlays from new mandatory authority					
4101	Outlays from mandatory balances					
4110	Total outlays, gross (mand.)					
	Offsets (mand.):					
	Offsets against gross budget authority and outlays (mand.):					
	Offsetting collections from:					
4120	Federal sources (mand.)					
4121	Interest on Federal securities (mand.)					
4122	Interest on uninvested funds (mand.)					
4123	Non-Federal sources (mand.)					
4124	Offsetting governmental collections (from non-Federal sources) (mand.)					
4130	Offsets against gross budget authority and outlays (mand.) (total)					
	Additional offsets against gross budget authority only (mand.):					
4140	Change in uncollected customer payments from Federal sources (unexpired) (mand.) (+ or -)					
4141	Change in uncollected customer payments from Federal sources (expired) (mand.) (+ or -)					
4142	Offsetting collections credited to expired accounts (mand.) (-)					
4143	Anticipated offsetting collections (mand.)					
4150	Additional offsets against budget authority only (mand.) (total)					
4160	Budget authority, net (mand.)					
4170	Outlays, net (mand.)					
	Budget authority and outlays, net (disc. and mand.)					
4180	Budget authority, net (disc. and mand.)					
4190	Outlays, net (disc. and mand.)					
	SCHEDULE OF UNFUNDED DEFICIENCIES					
7000	Unfunded deficiency, start of year (-)					
	Change in deficiency during the year:					
7010	New deficiency (-)					
7011	Appropriations available only to liquidate deficiencies					
7012	Available budgetary resources used to liquidate deficiencies					
7020	Unfunded deficiency, end of year (-)					

SF 133 Net Outlay Formula

The following is the outlay formula to be used to check the internal consistency of the SF 133.

Net Outlays = Lines (2001 through 2003 + 2101 through 2103) - (1700+1701+1800+1801+1021) + 3000 ± 3001 - 3010 ± 3011 ± 3060 ± 3061 ± 3070 ± 3071- (3090-3091)

Step 1: Take the sum of the amounts on lines 2001 through 2003 plus 2101 through 2103 Obligations incurred		19,656,000
Step 2: Subtract the sum of the following lines:		
Spending authority from offsetting collections (gross)		
Line 1700--Collected	197,000	
Line 1701--Change in uncollected customer payments from Federal sources (disc.) (+ or -)	0	
Line1800--Collected	12,000	
Line1801--Change in uncollected customer payments from Federal sources (mand) (+ or-)	0	
Recoveries of prior year unpaid obligations		
Line 1021--Recoveries of prior year unpaid obligations	76,000	
Sum	285,000	-285,000
Step 3: Add the sum of the following lines:		
Obligated balance, start of year (net)		
Line 3000--Unpaid obligations, brought forward, October 1 (+) (gross)	407,500	
Line 3001--Adjustments to unpaid obligations, brought forward, October 1 (+ or -)	0	
Line 3010--Uncollected customer payments brought forward, October 1 (-)	0	
Line 3011--Adjustments to uncollected customer payments brought forward, October 1 (+ or -)	0	
Sum	407,500	407,500
Step 4: Add (if positive) or subtract (if negative) the sum of the following lines:		
Obligated balance transfers, net		
Line 3060--Unpaid obligations tranferred to other accounts (-)	0	
Line 3061--Upaid obligations transferred from other accounts	0	
Line 3070--Uncollected customer payments from Federal sources transferred to other accounts	0	
Line 3071--Uncollected customer payments from Federal sources transferred from other accounts (-)	0	
Sum	0	0
Step 5: Subtract the sum of the following lines:		
Obligated balance, net, end of period		
Line 3090--Unpaid obligations, end of year (gross.)	382,400	
Line 3091--Uncollected customer payments from Federal sources, end of year (-)	0	
Sum	382,400	-382,400
Net Outlays:		
Line 4010--Outlays from new discetionary authority	19,605,100	
Line 4011--Outlays from discretionary balances	0	
Line 4030--Federal sources (disc.)	-197,000	
Line 4031--Interest on Federal securities (disc.)	0	
Line 4032--Interest on uninvested funds (disc.)	0	
Line 4033--Non-Federal sources (disc.)	0	
Line 4034--Offsetting governmental collections (from non-Federal sources) (disc.)	0	
Line 4100--Outlays from new mandatory authority	0	
Line 4101--Outlays from mandatory balances	0	
Line 4120--Federal sources (mand.)	0	
Line 4121--Interest on Federal sources (mand.)	0	
Line 4122--Interest on uninvested funds (mand.)	0	
Line 4123--Non-Federal sources (mand..)	-12,000	
Line 4124--Offsetting governmental collections (from non-Federal sources) (mand.)	0	
Result: This should be the sum of lines 4010 + 4011+ (4030 through 4034) + 4100 + 4101+ (4120 through 4124)		19,396,100

Note: These amounts come from Exhibit 130C

Crosswalk from the SF 133 to the Treasury Combined Statement

SF 133 Report on Budget Execution and Budgetary Resources	Treasury Combined Statement
1000: Unobligated balance brought forward, October 1	Column 1[a/]: Balances beginning of fiscal year, unobligated balance (unexpired) and unobligated balance (expired)
3020: Obligated balance, start of year (net)	Column 1: Balances beginning of fiscal year, obligated balance: The sum of accounts payable and undelivered orders minus the sum of accounts receivable and unfilled customer orders
1100 through 1105: Appropriations (disc.) 1170 through 1172: Advance appropriations (disc.) 1200 through 1204: Appropriations (mand.) 1270 through 1271: Advance appropriations (mand.)	Column 2: Appropriations and other obligational authority: Total
1120 +1121+1173+1510+1511+1710+1711: Nonexpenditure transfers of appropriations, contract authority, and spending authority to or from other accounts (disc.) 1220+1221+1272+1610+1611+1810+1811: Nonexpenditure transfers of appropriations, contract authority and spending authority to or from other accounts (mand.)	Net effect shown, with a footnote in column 2 for transfers between annual accounts in the same fund group. All other transfers shown in Column 3
1130+1131+1320+1520+1521+1722: Appropriations, borrowing authority, contract authority, and spending authority permanently reduced (disc.) 1231+1232+1420+1620+1621: Appropriations, borrowing authority, contract authority, and spending authority permanently reduced (mand.)	Column 2: Appropriations and other obligational authority: Total Column 5: Balances withdrawn and other transactions: The sum of the entries for undisbursed funds, unfunded contract authority, authority to borrow from Treasury, and authority to borrow from the public (plus increases in unobligated balances footnoted in columns 1 and 6 as unavailable for obligation)
Not applicable	Column 3: Transfers, borrowings, and investments (net)
1010 + 1011+1012+1013+1026: Nonexpenditure transfers of unobligated balance to or from other accounts	Not applicable
3060+3061+3070+3071: Nonexpenditure transfers of obligated balance to or from other accounts	Not applicable
4190: Outlays, net (disc. and mand.)	Column 4: Outlays (net): Total
1700+1701: Spending authority from offsetting collections (disc) (gross) 1800+1801: Spending authority from offsetting collections (mand.) (gross)	Not applicable
1021: Recoveries of prior year unpaid obligations	Not applicable
1031: Refunds and recoveries temporarily precluded from obligation (special and trust funds) (unobligated balances) (-) 1132 through 1134: Appropriations temporarily reduced (disc.) (total) 1174: Advance appropriations temporily reduced (disc.) (-) 1233 through 1235: Appropriations temporarily reduced (mand.) (total) 1273: Advance appropriations temporily reduced (mand.) (-)	Not applicable
Not applicable	Column 5: Balances withdrawn and other transactions: The sum of the entries for undisbursed funds, unfunded contract authority, authority to borrow from Treasury, and authority to borrow from the public (plus increases in unobligated balances footnoted in columns 1 and 6 as unavailable for obligation)
2201+2202+2203+2301+2302+2303[b/]: Unobligated balance: Apportioned / exempt from apportionment 2401+2402+2403: Unobligated balance: Unapportioned	Column 6: Balances end of fiscal year, unobligated balance
3100: Obligated balance, end of period (net)	Column 6: Balances end of fiscal year, obligated balance: The sum of accounts payable and undelivered orders minus the sum of accounts receivable and unfilled customer orders

[a/] Column 1 of the Treasury Combined Statement (previously known as the Treasury Annual Report) means the first column after the Account Symbol columns.
[b/] Some valid exceptions do exist, such as amounts temporarily precluded from obligation and temporary reductions.

Crosswalk from the SF 133 to the Program and Financing Schedule

This crosswalk only applies to the September 30 SF 133 and the "actual" column of the President's Budget and does not include memorandum lines. You can find the definitions of Program and Financing Schedule lines in section 82. See section 130.15 for additional guidance on ensuring consistent actuals.

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
BUDGETARY RESOURCES			
			2451 Expired unobligated balance carried forward, start of year (special and trust funds)
1. Unobligated balance, start of year:			
A. Brought forward, October 1 (+ or -)			2140 Unobligated balance carried forward, start of year
B. Adjustment to unobligated balance brought forward, October 1 (+ or -)			2145 Adjustment to unobligated balance carried forward, start of year
			SF 133 line 1A is a positive unless you have a deficiency that has not been liquidated in a prior year. When SF 133 line 1A is negative and a resource is realized to liquidate a deficiency, then the P&F will show the appropriation to liquidate the deficiency on the following lines: *Discretionary authority: Appropriations* 4048 Portion applied to liquidate deficiencies (-) *Mandatory authority: Appropriations* 6048 Portion applied to liquidate deficiencies (-) *Discretionary authority: Spending authority from offsetting collections* 5833 Portion applied to liquidate deficiencies (-) *Mandatory authority: Spending authority from offsetting collections* 6933 Portion applied to liquidate deficiencies (-)
2. Recoveries of prior year unpaid obligations:			
A. Actual			2210 Resources available from recoveries of prior year obligations
B. Anticipated	Null Set		
			7345 Recoveries of prior year obligations (-) *Equals the amount on line 2210, but with the opposite sign.*
			7340 Adjustments in expired accounts (net) (-) *These are recoveries of prior year unpaid obligations. Also see SF 133 line 8. These SF 133 and P&F lines will be equal with opposite signs.*
3. Budget Authority:			
A. Appropriation:			
1. Actual			*Discretionary authority:* 4000 Appropriation 4020 Appropriation (special fund) 4026 Appropriation (trust fund) 4028 Appropriation available from subsequent year 4029 Appropriation available in prior year (-) 5000 Reappropriation 5500 Advance appropriation 5520 Advance appropriation (special fund) 5526 Advance appropriation (trust fund) *Mandatory authority:* 6000 Appropriation 6020 Appropriation (special fund) 6026 Appropriation (trust fund) 6028 Appropriation (previously unavailable) 6300 Reappropriation 6500 Advance appropriation 6526 Advance appropriation (trust fund)
2. Anticipated	Null Set		
B. Borrowing authority			*Discretionary authority:* 4700 Borrowing authority *Mandatory authority:* 6710 Borrowing authority 6716 Borrowing authority (12 U.S.C. 2281-96) *These P&F lines also include the amount withdrawn (SF 133 line 6D) from the indefinite borrowing authority (SF 133 line 3B) that is not needed to incur obligations.*
C. Contract authority			*Discretionary authority:* 4900 Contract authority *Mandatory authority:* 6610 Contract authority *These P&F lines also include the amount withdrawn (SF 133 line 6D) from the indefinite contract authority (SF 133 line 3C) that is not needed to incur obligations.*

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts
D. Spending authority from offsetting collections (gross):		
1. Earned:		
a. Collected		
b. Change in receivables from Federal sources		
2. Change in unfilled customer orders (+ or -):		
a. Advance received		
b. Without advance from Federal sources		
3. Anticipated for rest of year	Null Set	
4. Previously unavailable		
5. Expenditure transfers from trust funds:		
a. Collected		
b. Change in receivables from trust funds		
c. Anticipated	Null Set	
4. Nonexpenditure transfers, net:		
A. Actual transfers, budget authority (+ or -)		
B. Anticipated transfers, budget authority (+ or -)	Null Set	
C. Actual transfers, unobligated balances (+ or -)		
D. Anticipated transfers, unobligated balances (+ or -)	Null Set	
5. Temporarily not available pursuant to Public Law ___ (-)		

PROGRAM AND FINANCING SCHEDULE

Discretionary authority: Spending authority from offsetting collections
5800 Offsetting collections (cash)
Mandatory authority: Spending authority from offsetting collections
6900 Offsetting collections (cash)

Discretionary authority: Spending authority from offsetting collections
5810 Change in uncollected customer payments from Federal sources (unexpired)
Mandatory authority: Spending authority from offsetting collections
6910 Change in uncollected customer payments from Federal sources (unexpired)

7400 Change in uncollected customer payments from Federal sources (unexpired)
Equals the amounts on lines 6810 and 6910, but with the opposite sign.

8895 Change in uncollected customer payments from Federal sources (unexpired)
Equals the amounts on lines 6810 and 6910.

7410 Change in uncollected customer payments from Federal sources (expired)

Discretionary authority:
5826 Offsetting collections (Previously unavailable)
Mandatory authority:
6926 Offsetting collections (Previously unavailable)

Discretionary authority:
4100 Transferred to other accounts (appropriations) (-)
4200 Transferred from other accounts (appropriations) (+)
5861 Transferred to other accounts (spending auth. from offset. coll.) (-)
5862 Transferred from other accounts (spending auth. from offset. coll.)(+)
Mandatory authority:
6100 Transferred to other accounts (appropriations) (-)
6200 Transferred from other accounts (appropriations) (+)
6661 Transferred to other accounts (contract authority) (-)
6662 Transferred from other accounts (contract authority) (+)
6961 Transferred to other accounts (spending auth. from offset. coll.) (-)
6962 Transferred from other accounts (spending auth. from offset. coll.) (+)

2221 Unobligated balance transferred to other accounts (-)
2222 Unobligated balance transferred from other accounts (+)
2230 Expired unobligated balance transfer to unexpired accounts (+)
2235 Unexpired unobligated balance transfer to expired accounts (-)
2333 Adjustment for change in allocation

2398 Unobligated balance expiring or withdrawn (-)
Discretionary authority:
4037 Appropriation temporarily reduced (-)
Includes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.
4038 Unobligated balance temporarily reduced (appropriations) (-)
4045 Portion precluded from obligation (appropriations) (-)
4945 Portion precluded from obligation (limitation on obligations)(contract authority)(-)
5537 Advance appropriation temporarily reduced (-)
5837 Temporarily reduced (spend. auth. from offset. coll.)(-)
5838 Unobligated balance temporarily reduced (spend. auth. from offset. coll.) (-)
5845 Portion precluded from obligation (limitation on obligations) (spend. auth. from offset. coll.)(-)
Mandatory authority:
6037 Appropriation temorarily reduced (-)
Includes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.
6038 Unobligated balance temporarily reduced (appropriations) (-)
6045 Portion precluded from obligation (appropriations) (-)
6537 Advance appropriation temporarily reduced (-)
6937 Temporarily reduced (spend. auth. from offset. coll.)(-)
6938 Unobligated balance temporarily reduced (spend. auth. from offset. coll.) (-)
6945 Portion precluded from obligation (limitation on obligations)(spend. auth. from offset. coll) (-)

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
6. Permanently not available:			
A. Cancellations of expired and no-year accounts (-)...............			2398 Unobligated balance expiring or withdrawn (-) 2441 Special and trust fund receipts returned to schedule N (+)
B. Enacted reductions (-)...			*Discretionary authority:* 4035 Appropriation permanently reduced (-) *Includes amounts returned to the general fund of the U.S. Treasury. Excludes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.* 4036 Unobligated balance permanently reduced (appropriations) (-) 4735 Authority to borrow permanently reduced (-) 4935 Contract authority permanently reduced (-) 4936 Unobligated balance permanently reduced (contract authority) (-) 5035 Reappropriation permanently reduced (-) 5535 Advance appropriation permanently reduced (-) 5835 Offsetting collections permanently reduced (-) *Mandatory authority:* 6035 Appropriation permanently reduced (-) *Includes amounts returned to the general fund of the U.S. Treasury. Excludes amounts returned to unavailable receipt accounts associated with special and non-revolving trust funds.* 6036 Unobligated balance permanently reduced (appropriations) (-) 6335 Reappropriation permanently reduced (-) 6535 Advance appropriation permanently reduced (-) 6635 Contract authority permannently reduced (-) 6636 Unobligated balance permanently reduced (contract authority) (-) 6735 Authority to borrow permanently reduced (-)
C. Capital transfers and redemption of debt (-)........................			2240 Capital transfer to general fund (unobligated balances) (-) 2260 Portion applied to repay debt (unobligated balances) (-) *Discretionary authority: Appropriations* 4047 Portion applied to repay debt (appropriations) (-) *Mandatory authority: Appropriations* 6047 Portion applied to repay debt (appropriations) (-) *Discretionary authority: Spending authority from offsetting collections* 5827 Capital transfer to general fund (spend. auth. from offset. coll.) (-) 5847 Portion applied to repay debt (spend. auth. from offset. coll.) (-) *Mandatory authority: Spending authority from offsetting collections* 6927 Capital transfer to general fund (spend. auth. from offset. coll.) (-) 6947 Portion applied to repay debt (spend. auth. from offset. coll.) (-)
D. Other authority withdrawn (-)...			2270 Balance of authority to borrow withdrawn (-) 2275 Balance of contract authority withdrawn (-) 2341 Adjustment for change in investments of zero coupon bonds (special and non-revolving trust funds) 2342 Adjustment for change in investments of zero coupon bonds (revolving funds) *Discretionary authority: Appropriations* 4050 Portion of approps. to liquidate contract authority withdrawn (-) 4053 Portion substituted for borrowing authority (-) *Mandatory authority: Appropriations* 6053 Portion substituted for borrowing authority (-) *Discretionary authority: Spending authority from offsetting collections* 5849 Portion applied to liquidate contract authority (-) 5853 Portion substituted for borrowing authority (-) *Mandatory authority: Spending authority from offsetting collections* 6949 Portion applied to liquidate contract authority (-) 6953 Portion substituted for borrowing authority (-) *These P&F lines exclude the amounts withdrawn (SF 133 line 6D) from the indefinite borrowing authority (SF 133 line 1B) and contract authority (SF 133 line 1C) that are not needed to incur obligations.*
E. Pursuant to Public Law ___ (-)...			*Discretionary authority: Appropriations* 4049 Portion applied to liquidate contract authority (-) *Mandatory authority: Appropriations* 6049 Portion applied to liquidate contract authority (-)
F. Anticipated rest of year (-)..	Null Set		
7. Total budgetary resources……….. ....………………			2390 Total budgetary resources available for obligation

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133 | **Unexpired Accounts** | **Expired Accounts** | **PROGRAM AND FINANCING SCHEDULE**

STATUS OF BUDGETARY RESOURCES

8. Obligations incurred:
   A. Direct:
      1. Category A..
      2. Total, Category B..
      3. Exempt from apportionment..
   B. Reimbursable:
      1. Category A..
      2. Total, Category B..
      3. Exempt from apportionment..

9. Unobligated balance:
   A. Apportioned:
      1. Balance, currently available……………………………
      2. Apportioned for subsequent periods................................
      3. Anticipated (+ or -).. Null Set | Null Set
   B. Exempt from apportionment...
      1. Balance, currently available……………………………
      2. Anticipated (+ or -).. Null Set | Null Set

10. Unobligated balance not available:
   A. Deferred...
   B. Withheld pending rescission...
   C. Other...

11. Total status of budgetary resources...

CHANGE IN OBLIGATED BALANCES

12. Obligated balance, net, start of year:
   A. Unpaid obligations, start of year:
      1. Unpaid obligations, brought forward, October 1(+).....
      2. Adjustment to unpaid obligations, brought forward, October 1(+ or -)..
   B. Uncollected customer payments from Federal source, start of year:
      1. Uncollected customer payments from Federal sources, brought forward, October 1(-)………………
      2. Adjustment to uncollected customer payments from Federal sources, brought forward, October 1(+ or -)…

13. Obligations incurred (+)………………………………………

14. Gross outlays (-)………………………………………………

15. Obligated balance transfers, net:
   A. Actual transfers, unpaid obligations (+ or -).....................
   B. Actual transfers, uncollected customer payments from Federal sources (+ or -)…………………………….....

16. Recoveries of prior year unpaid obligations, actual (-)………

17. Change in uncollected customer payments from Federal sources……………...

18. Obligated balance, net, end of period:
   A. Unpaid obligations (+)..
   B. Uncollected customer payments from Federal sources (-)………………………………………

PROGRAM AND FINANCING SCHEDULE

1000 Total new obligations

2395 Total new obligations (-). Equals the amount on line 1000, but with the opposite sign.

7310 Total new obligations. Equals the amount on line 1000.

7340 Adjustments in expired accounts (net) (+)
These are upward adjustments of obligations. Also see SF 133 line 4.

2397 Deficiency (-) (SF 133 and P&F will be equal with opposite signs)
2398 Unobligated balance expiring or withdrawn (-) (SF 133/P&F equal with the opposite sign)
2440 Unobligated balance carried forward, end of year

For annual and multi-year TAFS that are expiring, the SF 133 unexpired unobligated balances carried forward, end of year will crosswalk to line 2398 instead of 2440. For example, the SF 133 unexpired unobligated balances carried forward, end of year of a FY 2007 annual or a FY 2006/2007 multi-year Treasury account will crosswalk to line 2398 with the opposite sign.

2452 Expired unobligated balance carried forward, end of year (special and trust funds)

2390 Total budgetary resources available for obligation

7240 Obligated balance, start of year

7245 Adjustment to obligated balance, start of year

Refer to SF 133 line 8.

8690 Outlays from new discretionary authority, but with the opposite sign.
8693 Outlays from discretionary balances, but with the opposite sign.
8697 Outlays from new mandatory authority, but with the opposite sign.
8698 Outlays from mandatory balances, but with the opposite sign.
Also equals the amount on line 7320 Total outlays (gross)

7331 Obligated balance transferred to other accounts (-)
7332 Obligated balance transferred from other accounts (+)

7345 Recoveries of prior year obligations (-)

2210 Resources available from recoveries of prior year obligations
Equals the amount on line 7345, but with the opposite sign.

7340 Adjustments in expired accounts (net) (-)
These are recoveries of prior year unpaid obligations. Also see SF 133 line 8.

7400 Change in uncollected customer payments from Federal sources (unexpired)

Discretionary authority: Spending authority from offsetting collections
5810 Change in uncollected customer payments from Federal sources (unexpired)
Mandatory authority: Spending authority from offsetting collections
6910 Change in uncollected customer payments from Federal sources (unexpired)
Equals the amount on line 7400, but with the opposite sign.

8895 Change in uncollected customer payments from Federal sources (unexpired)
Equals the amounts on line 7400, but with the opposite sign.

7410 Change in uncollected customer payments from Federal sources (expired)

7440 Obligated balance, end of year

Crosswalk from the SF 133 to the Program and Financing Schedule--Continued

SF 133	Unexpired Accounts	Expired Accounts	PROGRAM AND FINANCING SCHEDULE
NET OUTLAYS			8690 Outlays from new discretionary authority
19. Net outlays:			8693 Outlays from discretionary balances
A. Gross outlays (+).........			8697 Outlays from new mandatory authority
			8698 Outlays from mandatory balances
			Also equals the amount on line 7320 Total outlays (gross), but with the opposite sign.
B. Offsetting collections (-).........			*Offsetting collections (cash) from:*
			8800 Federal sources
			8820 Interest on Federal securities
			8825 Interest on uninvested funds
			8840 Non-Federal sources
			8845 Offsetting governmental collections (from non-Federal sources)
			These SF 133 and P&F lines will be equal with opposite signs.
			8896 Portion of offsetting collections (cash) credited to expired accounts

Trust Fund (or Special Fund) with Collections Precluded from Obligation

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government | APPROPRIATION OR FUND TITLE AND SYMBOL

BUREAU: Program benefits trust fund | 80X8000 Payment of benefits

	DESCRIPTION	Dec. 31 SF 133	Jun. 30 SF 133	Sept. 30 SF 133
	SCHEDULE OF BUDGETARY RESOURCES			
1202	BA: Appropriation (trust fund) (mand.)	70,000	150,000	160,000
1235	BA: Appropriations precluded from obligation (mand.) (-)			-40,000
1250	BA: Anticipated appropriation (mand.)	120,000	40,000	
1910	Total budgetary resources (disc. and mand.)	190,000	190,000	120,000
	STATUS OF BUDGETARY RESOURCES			
2002	Direct obligations incurred: Category B: Benefit payments	30,000	90,000	120,000
2201	Unob Bal: Apportioned: Available in the current period			
2203	Unob Bal: Apportioned: Anticipated			
2403	Unob Bal: Unapportioned: Other	160,000	100,000	
2500	Total budgetary resources	190,000	190,000	120,000
	CHANGE IN OBLIGATED BALANCE			
3030	Ob Bal: Changes: Obligations incurred: Unexpired accounts	30,000	90,000	120,000
3040	Ob Bal: Changes: Outlays (gross) (-)	-30,000	-90,000	-120,000
	BUDGET AUTHORITY AND OUTLAYS, NET			
4090	Budget authority, gross (mand.)	190,000	190,000	120,000
4100	Outlays from new mandatory authority (mand.)	30,000	90,000	120,000
4160	Budget authority, net (mand.)	70,000	150,000	120,000
4170	Outlays, net (mand.)	30,000	90,000	120,000
4180	Budget authority, net (disc. and mand.)	190,000	190,000	120,000
4190	Outlays, net (disc. and mand.)	30,000	90,000	120,000

Includes $30 thousand apportioned (see exhibit 121P) of prior year collections plus $40 thousand collected in

Includes only new collections. Prior year collections are not needed to incur obligations and therefore are not shown as an appropriation. No anticipated amounts are shown on line 1250.

Includes $40 thousand to be collected in March, June, and September.

Excess of new collections over obligations.

Include amounts of budgetary resources in excess of apportioned amounts on line 2403. If the account is exempt from apportionment, include amounts in excess of obligations on line 2301.

Total budgetary resources equal obligations on line 2001-2104.

General Principles:
- Under scoring rules established under the Budget Enforcement Act (BEA), collections made available pursuant to law are shown as appropriations (line 1202 of the SF 132 and the SF 133). Amounts not needed to cover obligations are subtracted on line 1235.
- For the September 30 SF 133, prior year collections are not shown unless current year collections are less than amounts needed to incur obligations. This will assure that the actual column in the Budget, derived from the same data as the SF 133, will reflect the scoring required by the BEA.

Assumptions for this example:
- Total annual benefit payments are $120 thousand ($10 thousand each month).
- Total annual revenue is $160 thousand. $40 thousand is received in December, March, June, and September.
- Pursuant to law, obligations may be made only for payment of benefits.
- Accumulated, unused collections from prior years equal $750 thousand on October 1st of the fiscal year.

To save space, this exhibit does not display lines that do not contain amounts.

Generally applies to indefinite appropriations. If your agency has a Treasury Appropriation Fund Symbol with a definite appropriation, contact your OMB representative.

Relationship between Selected SF 133 and Program and Financing Schedule Lines (in millions of dollars)

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government — APPROPRIATION OR FUND TITLE AND SYMBOL

BUREAU: Government Bureau — 80Y0123 Salaries and expenses

	FY 2008 Unexpired Account	FY 2007 Expired Account	Total
BUDGETARY RESOURCES			
3. Budget authority			
A. Appropriation:			
1. Actual	717		717
2. Anticipated			
B. Spending authority from offsetting collections (gross):			
1. Earned:			
a. Collected	92	6	98
b. Change in receivables from Federal sources	3	-3	
2. Change in unfilled customer orders (+ or -):			
a. Advance received	5	2	7
b. Without advance from Federal sources	7	-4	3
7. Total budgetary resources	824	1	825
STATUS OF BUDGETARY RESOURCES			
8. Obligations incurred:			
A. Direct:			
1. Category A	21		21
2. Category B: Research	79		79
2. Category B: Development of products	607		607
3. Exempt from apportionment			
B. Reimbursable:			
1. Category A	107		107
2. Category B [program 1]			
3. Exempt from apportionment			
9. Unobligated balance:			
A. Apportioned:			
1. Balance, currently available	10		10
10. Unobligated balance:			
C. Other		1	1
11. Total status of budgetary resources	824	1	825
CHANGE IN OBLIGATED BALANCES			
12. Obligated balance, net:		45	45
A. Unpaid obligations, brought forward, October 1 (+)			
B. Uncollected customer payments from Federal sources, brought forward, October 1 (-)			
13. Obligations incurred (+)	814	0	814
14. Gross outlays (-)	-740	-33	-773
17. Change in uncollected customer payments from Federal sources	-10	7	-3
18. Obligated balance, net, end of period:			
A. Unpaid obligations (+)	-6	-1	-7
B. Uncollected customer payments from Federal sources (-)	-4	-6	-10
C. Undelivered orders (+)	54	22	76
D. Accounts payable (+)	20	4	24
NET OUTLAYS			
19. Net outlays:			
A. Gross outlays (+)	740	33	773
B. Offsetting collections (-)	-97	-8	-105

NOTE: Line 3A1, P.L. 1XX-123.

_______________ _______
(Authorized Officer) (Date)

(Preparer: Name)_________________
(Address) _________________
(Phone number) ___________________

To calculate P&F schedule line 5800 Spending authority from offsetting collections (cash), take SF 133 line add SF 133 line 3B1a plus SF 133 line 3B2a. [92 + 5 = 97]

To calculate P&F schedule line 5810 Change in uncollected customer payments from Federal sources (unexpired), add SF 133 line 3B1b plus SF 133 line 3B2b. [3 + 7 = 10]

To calculate P&F schedule line 8895 Change in uncollected customer payments from Federal sources (unexpired) as it appears in the Budget Appendix, take line P5810 and change the sign. [-10]

To calculate P&F schedule line 7400 Change in uncollected customer payments from Federal sources (unexpired), take SF 133 line 17 (unexpired only) [-10]

To calculate P&F schedule line 7410 Change in uncollected customer payments from Federal sources (expired), take SF 133 line 17 (expired only) [7]

To calculate P&F schedule lines 8800 through P8845 Offsetting collections (cash) as it appears in the Budget Appendix, take SF 133 line 19B (unexpired and expired). [-97 + -8 = -105]

To calculate P&F schedule line 8896 Offsetting collections (cash) credited to expired accounts as it appears in the Budget Appendix, take SF 133 line 19B (expired only) and change the sign. [8]

Relationship between Selected SF 133 and Program and Financing Schedule Lines -- Continued (in millions of dollars)

Budget Program and Financing Schedule

		Identification code: 80-0123-0-1-350	Budget Appendix PY actual	MAX Schedule P PY actual
		Obligations by program activity:		
		Direct program:		
Unexpired	0001	Research	100	
	0002	Development of products	607	
	0901	Reimbursable program	107	
	1000	Total new obligations	814	
		Budgetary resources available for obligation:		
	2200	New budget authority (gross)	824	
	2390	Total budgetary resources available for obligation	824	
	2395	Total new obligations	-814	
	2398	Unobligated balance expiring or withdrawn (-)	-10	
		New budget authority (gross), detail:		
		Appropriation		
		Discretionary:		
	4000	Appropriation	717	
		Spending authority from offsetting collections:		
	5800	Offsetting collections (cash)	97	
	5810	Change in uncollected customer payments from Federal sources [*unexpired*]	10	
	5890	Spending authority from offsetting collections (total)	107	
	7000	Total new budget authority (gross)	824	
		Change in obligated balances:		
Unexpired and Expired	7240	Obligated balance, start of year [*unexpired and expired*]	45	
	7310	Total new obligations (unexpired)	814	
	7320	Total outlays (gross) (-) (unexpired and expired)	-773	
	7400	Change in uncollected customer payments from Federal sources (unexpired)	-10	
	7410	Change in uncollected customer payments from Federal sources (expired)	7	
	7440	Obligated balance, end of year [*unexpired and expired*]	83	
		Outlays (gross), detail (unexpired and expired):		
	8690	Outlays from new discretionary authority	740	
	8693	Outlays from discretionary balances	33	
	8700	Total outlays (gross)	773	
		Offsets:		
		Against gross authority and outlays:		
		Offsetting collections (cash) from:		
	8800	Federal sources [*unexpired and expired*]	-105	105
		Against gross budget authority only:		
	8895	Change in uncollected customer payments from Federal sources (unexpired)	-10	10
	8896	Portion of offsetting collections (cash) credited to expired accounts	8	-8
		Net budget authority and outlays:		
	8900	Budget authority (net)	717	
	9000	Outlays (net)	668	

Relationship between Selected SF 133 and Program and Financing Schedule Lines -- Continued (in millions of dollars)

Budget Program and Financing Schedule

Identification code: 80-0123-0-1-350		Budget Appendix PY actual	MAX Schedule P PY actual
	Obligations by program activity:		
	Direct program:		
0001	Research	100	
0002	Development of products	607	
0901	Reimbursable program	107	
1000	Total new obligations	814	
	Budgetary resources available for obligation:		
2200	New budget authority (gross)	824	
2390	Total budgetary resources available for obligation	824	
2395	Total new obligations	-814	
2398	Unobligated balance expiring or withdrawn (-)	-10	
	New budget authority (gross), detail:		
	Appropriation		
	Discretionary:		
4000	Appropriation	717	
	Spending authority from offsetting collections:		
5800	Offsetting collections (cash)	97	
6810	Change in uncollected customer payments from Federal sources [*unexpired*]	10	
5890	Spending authority from offsetting collections (total)	107	
7000	Total new budget authority (gross)	824	
	Change in obligated balances:		
7240	Obligated balance, start of year [*unexpired and expired*]	45	
7310	Total new obligations (unexpired)	814	
7320	Total outlays (gross) (-) (unexpired and expired)	-773	
7400	Change in uncollected customer payments from Federal sources (unexpired)	-10	
7410	Change in uncollected customer payments from Federal sources (expired)	7	
7440	Obligated balance, end of year [*unexpired and expired*]	83	
	Outlays (gross), detail (unexpired and expired):		
8690	Outlays from new discretionary authority	740	
8693	Outlays from discretionary balances	33	
8700	Total outlays (gross)	773	
	Offsets:		
	Against gross authority and outlays:		
	Offsetting collections (cash) from:		
8800	Federal sources [*unexpired and expired*]	-105	105
	Against gross budget authority only:		
8895	Change in uncollected customer payments from Federal sources (unexpired)	-10	10
8896	Portion of offsetting collections (cash) credited to expired accounts	8	-8
	Net budget authority and outlays:		
8900	Budget authority (net)	717	
9000	Outlays (net)	668	

Separately identify new obligations by significant activity, as appropriate. Report obligations funded by reimbursements separately on lines coded 09XX. Report all obligations in noncredit revolving funds as reimbursable on lines 09XX.

Direct and reimbursable obligations in unexpired account. This line equals P&F schedule lines 0001 through 0999.

Equals SF 133 line 19B for the unexpired only and change the sign.

Equals SF 133 lines 3B1b plus 3B2b unexpired only.

Spending authority from offsetting collections (total) in unexpired account. This line is calculated by adding P&F schedule lines 5800 through 5885.

Expired and unexpired obligated balance, net.

Equals to the sum of the amounts on Lines 5810 and 6910, but with the opposite sign.
OR
Equals SF 133 line17 unexpired only.

Equals SF 133 line 17 expired only.

This is the amount of accounts payable plus undelivered orders minus the amount of accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources.

Separately identify cash collections and the change in uncollected customer payments from Federal sources.

Same as P&F schedule lines 5810 and 6910 with the opposite sign.

Same as P&F schedule lines 5810 and 6910.

To calculate, take SF 133 line 19B for the expired only.

Net BA is the amount available for new obligation net of the offsetting collections attributable to unexpired offsets. This is equal to Gross BA minus collections from Federal sources plus change in uncollected customer payments (unexpired).

Net Outlays is equal to Gross Outlays minus collections from Federal sources.

To calculate, take SF 133 line 19B for the expired only with the opposite sign.

Appropriation Reduced by Offsetting Collections and Receipts

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 9/30/CY

AGENCY: Department of Government

BUREAU: Government Bureau

APPROPRIATION OR FUND TITLE AND SYMBOL

80Y2010 Salaries and expenses

		Dec. 31 SF 133 Unexpired Account	Jun. 30 SF 133 Unexpired Account	Sept. 30 SF 133 Unexpired Account
	SCHEDULE OF BUDGETARY RESOURCES			
1100	BA: Appropriation (disc.)	65,000,000	19,250,000	4,000,000
1134	BA: Appropriations precluded from obligation (disc.) (-)	-65,000,000	-19,250,000	
1700	BA: Spending auth: Collected (disc.)		45,750,000	61,000,000
1740	BA: Spending auth: Anticipated collections, reimbursements, and other income (disc.)	65,000,000	19,250,000	
1750	[BA: Spending authority from offsetting collections (disc.) (total)]	[65,000,000]	[65,000,000]	[65,000,000]
1910	Total budgetary resources (disc. and mand.)	65,000,000	65,000,000	65,000,000
	STATUS OF BUDGETARY RESOURCES			
2001	Direct obligations incurred: Category A (by quarter)	16,350,000	49,050,000	64,688,000
2201	Unob Bal: Apportioned: Available in the current period	48,650,000	15,950,000	312,000
2500	Total budgetary resources	65,000,000	65,000,000	65,000,000
	CHANGE IN OBLIGATED BALANCE			
3030	Ob Bal: Changes: Obligations incurred: Unexpired accounts	16,350,000	49,050,000	64,688,000
3040	Ob Bal: Changes: Outlays (gross) (-)	-16,210,000	-49,010,000	-64,675,000
3090	Ob Bal: EOY: Unpaid obligations (gross)	140,000	40,000	13,000
3100	Obligated balance, end of year (net)	140,000	40,000	13,000
	BUDGET AUTHORITY AND OUTLAYS, NET			
4000	Budget authority, gross (disc.)	65,000,000	65,000,000	65,000,000
4010	Outlays from new discretionary authority (disc.)	16,210,000	49,010,000	64,675,000
4020	Total outlays, gross (disc.)	16,210,000	49,010,000	64,675,000
4030	Offsets, BA and OL: Offsetting collections from Fed srcs (disc.)		-45,750,000	-61,000,000
4053	Offsets, BA and OL: Anticipated offsetting collections (disc.)	-65,000,000	-19,250,000	0
4070	Budget authority, net (disc.)			4,000,000
4080	Outlays, net (disc.)	16,210,000	3,260,000	3,675,000
4180	Budget authority, net (disc. and mand.)	-	-	4,000,000
4190	Outlays, net (disc. and mand.)	16,210,000	3,260,000	3,675,000

For the first three quarters, use line 1134 to reduce the total budgetary resources by the aniticipated amount of collections whether credited to the expenditure account or deposited to a receipt account.

Since the amount appropriated 65,000,000 is initially derived from the General Fund of the U.S. Treasury, this mechanism is necessary in order to avoid double counting the total budgetary resources.

The amount appropriated 65,000,000 is reduced by the amount of actual offsetting collections 61,000,000 received during the fiscal year so as to result in a final fiscal year appropriation of 4,000,000. The amount derived from the General Fund of the U.S. Treasury 65,000,000 should be reduced by the amount of actual offsetting collections 61,000,000 received during the fiscal year on the September 30 SF 133.

The amount appropriated is reduced by an amount of collections whether credited to an expenditure account or deposited to a receipt account.

To save space, several exhibits in this section do not display lines that do not contain amounts. Exhibit 130H contains all lines.

NOTE: Line 1100, P.L. 1XX-123.

Crosswalk to the Realigned SF 133

CURRENT SF 133 (FY 2009) BUDGETARY RESOURCES	REALIGNED SF 133 (FY 2010) SCHEDULE OF BUDGETARY RESOURCES
1. Unobligated balance, start of year: A. Brought forward, October 1 (+ or -)	1000 Unobligated balance brought forward, October 1
B. Adjustment to unobligated balance brought forward, October 1 (+ or -)	1020 Adjustment to unobligated balance brought forward, October 1 (+ or -)
2. Recoveries of prior year unpaid obligations: A. Actual	1021 Recoveries of prior year unpaid obligations
B. Anticipated	1041 Anticipated recoveries of prior year unpaid obligations
3. Budget Authority: A. Appropriation: 1. Actual	1100 Appropriation (disc.) 1101 Appropriation (special fund) (disc.) 1102 Appropriation (trust fund) (disc.) 1103 Appropriation available from subsequent year (disc.) 1104 Appropriation available in prior year (disc.) (-) 1105 Reappropriation (disc.) 1170 Advance appropriation (disc.) 1171 Advance appropriation (special fund) (disc.) 1172 Advance appropriation (trust fund) (disc.) 1200 Appropriation (mand.) 1201 Appropriation (special fund) (mand.) 1202 Appropriation (trust fund) (mand.) 1203 Appropriation (previously unavailable) (mand.) 1204 Reappropriation (mand.) 1270 Advance appropriation (mand.) 1271 Advance appropriation (trust fund) (mand.) *Note: Lines 1100 and 1200 include amounts withdrawn from indefinite appropriations that were previously reported on SF 133 line 6D.*
2. Anticipated	1150 Anticipated appropriation (disc.) 1250 Anticipated appropriations (mand.)
B. Borrowing authority	1300 Borrowing authority (disc.) 1400 Borrowing authority (mand.) 1401 Borrowing authority (12 USC 2281-96) (mand.) *Note: Lines 1300, 1400, and 1401 include amounts withdrawn from indefinite borrowing authority, which are not needed to incur obligations, that were previously reported on SF 133 line 6D.*
C. Contract authority	1500 Contract authority (disc.) 1600 Contract authority (mand.) *Note: Lines 1500 and 1600 include amounts withdrawn from indefinite contract authority, which are not needed to incur obligations, that were previously reported on SF 133 line 6D.*
D. Spending authority from offsetting collections (gross): 1. Earned: a. Collected	1700 Collected (disc.) 1800 Collected (mand.)
b. Change in receivables from Federal sources	1701 Change in uncollected customer payments from Federal sources (disc.) (+or -) 1801 Change in uncollected customer payments from Federal sources (mand.) (+or -)
2. Change in unfilled customer orders (+ or -): a. Advance received	1700 Collected (disc.) 1800 Collected (mand.)
b. Without advance from Federal sources	1701 Change in uncollected customer payments from Federal sources (disc.) (+or -) 1801 Change in uncollected customer payments from Federal sources (mand.) (+or -)
3. Anticipated for rest of year	1740 Anticipated collections, reimbursements, and other income (disc.) 1840 Anticipated collections, reimbursements, and other income (mand.)
4. Previously unavailable	1702 Offsetting collections (previously unavailable) (disc.) 1802 Offsetting collections (previously unavailable) (mand.)
5. Expenditure transfers from trust funds: a. Collected	1700 Collected (disc.) 1800 Collected (mand.)
b. Change in receivables from trust funds	1701 Change in uncollected customer payments from Federal sources (disc.) (+or -) 1801 Change in uncollected customer payments from Federal sources (mand.) (+or -)
c. Anticipated	1740 Anticipated collections, reimbursements, and other income (disc.) 1840 Anticipated collections, reimbursements, and other income (mand.)
4. Nonexpenditure transfers, net: A. Actual transfers, budget authority (+ or -)	1120 Appropriations transferred to other accounts (disc.) (-) 1121 Appropriations transferred from other accounts (disc.) 1220 Appropriations transferred to other accounts (mand.) (-) 1221 Appropriations transferred from other accounts (mand.) 1510 Contract authority transferred to other accounts (disc.) (-) 1511 Contract authority transferred from other accounts (disc.) 1610 Contract authority transferred to other accounts (mand.) (-) 1611 Contract authority transferred from other accounts (mand.) 1710 Spending authority from offsetting collections transferred to other accounts (disc.) (-) 1711 Spending authority from offsetting collections transferred from other accounts (disc.) 1810 Spending authority from offsetting collections transferred to other accounts (mand.) (-) 1811 Spending authority from offsetting collections transferred from other accounts (mand.)

Crosswalk to the Realigned SF 133--Continued

CURRENT SF 133 (FY 2009) BUDGETARY RESOURCES	REALIGNED SF 133 (FY 2010) SCHEDULE OF BUDGETARY RESOURCES
B. Anticipated transfers, budget authority (+ or -)	1151 Anticipated nonexpenditure transfers of appropriations, net (disc.) (+ or -) 1251 Anticipated nonexpenditure transfers of appropriations, net (mand.) (+ or -) 1530 Anticipated nonexpenditure transfers of contract authority, net (disc.) (+ or -) 1630 Anticipated nonexpenditure transfers of contract authority, net (mand.) (+ or -) 1741 Anticipated nonexpenditure transfers of spending authority from offsetting collections, net (disc.) (+ or -) 1841 Anticipated nonexpenditure transfers of spending authority from offsetting collections, net (mand.) (+ or -)
C. Actual transfers, unobligated balances (+ or -)	1010 Unobligated balance transferred to other accounts (-) 1011 Unobligated balance transferred from other accounts 1012 Expired unobligated balance transferred to unexpired accounts 1013 Unexpired unobligated balance transferred to expired accounts (-) 1026 Adjustment in unobligated balances for change in allocation
D. Anticipated transfers, unobligated balances (+ or -)	1040 Anticipated nonexpenditure transfers of unobligated balances (+ or -)
5. Temporarily not available pursuant to Public Law ___ (-)..........	1031 Refunds and recoveries temporarily precluded from obligation (special and trust funds) (-) 1132 Appropriations temporarily reduced (disc.) (-) 1133 Unobligated balance of appropriations temporarily reduced (disc.) (-) 1134 Appropriations precluded from obligation (disc.) (-) 1174 Advance appropriations temporarily reduced (disc.) (-) 1233 Appropriations temporarily reduced (mand.) (-) 1234 Unobligated balance of appropriations temporarily reduced (mand.) (-) 1273 Advance appropriations temporarily reduced (mand.) (-) 1235 Appropriations precluded from obligation (mand.) (-) 1522 Contract authority precluded from obligation (limitation on obligations) (disc.) (-) 1622 Contract authority precluded from obligation (limitation on obligation) (mand.) (-) 1723 Spending authority from offsetting collections temporarily reduced (disc.) (-) 1724 Unobligated balance of spending authority from offsetting collections temporarily reduced (disc.) (- 1725 Spending authority from offsetting collections precluded from obligation (limitation on obligations) (disc.) (-) 1822 Spending authority from offsetting collections temporarily reduced (mand.) (-) 1823 Unobligated balance of spending authority from offsetting collections temporarily reduced (mand.)(- 1824 Spending authority from offsetting collections precluded from obligation (limitation on obligations)(mand.) (-)
6. Permanently not available: A. Cancellations of expired and no-year accounts (-)................	1029 Other balances withdrawn (-)
B. Enacted reductions (-)..	1130 Appropriations permanently reduced (disc.) (-) 1131 Unobligated balance of appropriations permanently reduced (disc.) (-) 1173 Advance appropriations permanently reduced (disc.) (-) 1231 Appropriations permanently reduced (mand.) (-) 1232 Unobligated balance of appropriations permanently reduced (mand.) (-) 1272 Advance appropriations permanently reduced (mand.) (-) 1320 Borrowing authority permanently reduced (disc.) (-) 1420 Borrowing authority permanently reduced (mand.) (-) 1520 Contract authority permanently reduced (disc.) (-) 1521 Unobligated balance of contract authority permanently reduced (disc.) (-) 1620 Contract authority permanently reduced (mand.) (-) 1621 Unobligated balance of contract authority permanently reduced (mand.) (-) 1722 Spending authority from offsetting collections permanently reduced (disc.) (-)
C. Capital transfers and redemption of debt (-).........................	1022 Capital transfer of unobligated balances to general fund (-) 1023 Unobligated balances applied to repay debt (-) 1135 Appropriations applied to repay debt (disc.) (-) 1236 Appropriations applied to repay debt (mand.) (-) 1720 Capital transfer of spending authority from offsetting collections to general fund (disc.) (-) 1726 Spending authority from offsetting collections applied to repay debt (disc.) (-) 1820 Capital transfer of spending authority from offsetting collections to general fund (mand.) (-) 1825 Spending authority from offsetting collections applied to repay debt (mand.) (-)
D. Other authority withdrawn (-)..	1024 Unobligated balance of borrowing authority withdrawn (-) 1025 Unobligated balance of contract authority withdrawn (-) 1027 Adjustment in unobligated balances for change in investments of zero coupon bonds (special and non-revolving trust funds) 1028 Adjustment in unobligated balances for change in investments of zero coupon bonds (revolving funds) 1138 Appropriations applied to liquidate contract authority withdrawn (disc.) (-) 1139 Appropriations substituted for borrowing authority (disc.) (-) 1239 Appropriations substituted for borrowing authority (mand.) (-) 1727 Spending authority from offsetting collections applied to liquidate contract authority (disc.) (-) 1728 Spending authority from offsetting collections substituted for borrowing authority (disc.) (-) 1826 Spending authority from offsetting collections applied to liquidate contract authority (mand.) (-) 1827 Spending authority from offsetting collections substituted for borrowing authority (mand.) (-)
E. Pursuant to Public Law ___ (-)...	1137 Appropriations applied to liquidate contract authority (disc.) (-) 1238 Appropriations applied to liquidate contract authority (mand.) (-)
F. Anticipated rest of year (-)...	1042 Anticipated capital transfers and redemption of debt (unobligated balances) (-) 1152 Anticipated capital transfers and redemptions of debt (appropriations) (disc.) (-) 1252 Anticipated capital transfers and redemptions of debt (appropriations) (mand.) (-) 1330 Anticipated reductions to current fiscal year borrowing authority (disc.) (-) 1430 Anticipated reductions to current fiscal year borrowing authority (mand.) (-) 1531 Anticipated adjustments to current year contract authority (disc.) (+ or -) 1631 Anticipated adjustments to current year contract authority (mand.) (+ or -) 1742 Anticipated capital transfers and redemption of debt (spending authority from offsetting collections) (disc.) (-) 1842 Anticipated capital transfers and redemption of debt (spending auth. from offset. coll.) (mand.) (-)
7. Total budgetary resources………......................……………….	1910 Total budgetary resources (disc. and mand.)

Crosswalk to the Realigned SF 133--Continued

CURRENT SF 133 (FY 2009) STATUS OF BUDGETARY RESOURCES	REALIGNED SF 133 (FY 2010) STATUS OF BUDGETARY RESOURCES
8. Obligations incurred:	
A. Direct:	
1. Category A	2001 Category A (by quarter)
2. Total, Category B	2002 Category B (by project)
[Program 1]	[Project label 1]
[Program 2/program category 1]	[Project label 2/program category 1]
[Program 3/program category 2]	[Project label 3/program category 2]
3. Exempt from apportionment	2003 Exempt from apportionment
B. Reimbursable:	
1. Category A	2101 Category A (by quarter)
2. Total, Category B	2102 Category B (by project)
[Program 1]	[Project label 1]
[Program 2/program category 1]	[Project label 2/program category 1]
[Program 3/program category 2]	[Project label 3/program category 2]
3. Exempt from apportionment	2103 Exempt from apportionment
9. Unobligated balance:	
A. Apportioned:	
1. Balance, currently available	2201 Available in the current period
2. Apportioned for subsequent periods	2202 Available in subsequent periods
3. Anticipated (+ or -)	2203 Anticipated
B. Exempt from apportionment:	
1. Balance, currently available	2301 Available in the current period
	2302 Available in subsequent periods
2. Anticipated (+ or -)	2303 Anticipated
10. Unobligated balance not available:	
A. Deferred	2401 Deferred
B. Withheld pending rescission	2402 Withheld pending rescission
C. Other	2403 Other
11. Total status of budgetary resources	2500 Total budgetary resources
CHANGE IN OBLIGATED BALANCES	**CHANGE IN OBLIGATED BALANCE**
12. Obligated balance, net, start of year:	
A. Unpaid obligations, start of year:	
1. Unpaid obligations, brought forward, October 1(+)	3000 Unpaid obligations, brought forward, October 1 (gross)
2. Adjustment to unpaid obligations, brought forward, October 1(+ or -)	3001 Adjustments to unpaid obligations, brought forward, October 1 (+ or -)
B. Uncollected customer payments from Federal source, start of year:	
1. Uncollected customer payments from Federal sources, brought forward, October 1(-)	3010 Uncollected customer payments, brought forward, October 1 (-)
2. Adjustment to uncollected customer payments from Federal sources, brought forward, October 1(+ or -)	3011 Adjustments to uncollected customer payments, brought forward, October 1 (+ or -)
13. Obligations incurred (+)	3030 Unexpired accounts
	3031 Expired accounts
14. Gross outlays (-)	3040 Outlays (gross) (-)
15. Obligated balance transfers, net:	
A. Actual transfers, unpaid obligations (+ or -)	3060 Unpaid obligations transferred to other accounts (-)
	3061 Unpaid obligations transferred from other accounts
B. Actual transfers, uncollected customer payments from Federal sources (+ or -)	3070 Uncollected customer payments from Federal sources transferred to other accounts
	3071 Uncollected customer payments from Federal sources transferred from other accounts (-)
16. Recoveries of prior year unpaid obligations, actual (-)	3080 Unexpired accounts (-)
	3081 Expired accounts (-)
17. Change in uncollected customer payments from Federal sources	3050 Unexpired accounts (+ or -)
	3051 Expired accounts (+ or -)
18. Obligated balance, net, end of period:	
A. Unpaid obligations (+)	3090 Unpaid obligations, end of year (gross)
B. Uncollected customer payments from Federal sources (-)	3091 Uncollected customer payments from Federal sources, end of year (-)
NET OUTLAYS	**BUDGET AUTHORITY AND OUTLAYS, NET**
19. Net outlays:	
A. Gross outlays (+)	4010 Outlays from new discretionary authority
	4011 Outlays from discretionary balances
	4100 Outlays from new mandatory authority
	4101 Outlays from mandatory balances
B. Offsetting collections (-)	4030 Federal sources (disc.)
	4031 Interest on Federal securities (disc.)
	4032 Interest on uninvested funds (disc.)
	4033 Non-Federal sources (disc.)
	4034 Offsetting governmental collections (from non-Federal sources) (disc.)
	4051 Offsetting collections credited to expired accounts (disc.) (-)
	4120 Federal sources (mand.)
	4121 Interest on Federal securities (mand.)
	4122 Interest on uninvested funds (mand.)
	4123 Non-Federal sources (mand.)
	4124 Offsetting governmental collections (from non-Federal sources) (mand.)
	4141 Offsetting collections credited to expired accounts (mand.) (-)

Crosswalk to the Realigned SF 133--Continued

CURRENT SF 133 (FY 2009)	REALIGNED SF 133 (FY 2010)
Not applicable	*The following are new requirements/concepts that have no corresponding line entry on the current SF 133 (FY 2009):* SCHEDULE OF BUDGETARY RESOURCES 1030 Adjustment in unobligated balances for Exchange Stabilization Fund 1136 Appropriations applied to deficiency by law (disc.) (-) 1237 Appropriations applied to deficiency by law (mand.) (-) 1721 Spending authority from offsetting collections applied to deficiency by law (disc.)(-) 1821 Spending authority from offsetting collections applied to deficiency by law (mand.)(-) 1901 Adjustment for budgetary resources applied to liquidate deficiencies (-) STATUS OF BUDGETARY RESOURCES 2501 Subject to apportionment 2502 Exempt from apportionment BUDGET AUTHORITY AND OUTLAYS, NET 4050 Change in uncollected customer payments from Federal sources (unexpired) (disc.) (+ or - 4051 Change in uncollected customer payments from Federal sources (expired) (disc.) (+ or -) 4052 Offsetting collections credited to expired accounts (disc.) (-) 4053 Anticipated offsetting collections (disc.) 4140 Change in uncollected customer payments from Federal sources (unexpired) (mand.) (+ 4141 Change in uncollected customer payments from Federal sources (expired) (mand.) (+ or -) 4142 Offsetting collections credited to expired accounts (mand.) (-) 4143 Anticipated offsetting collections (mand.) SCHEDULE OF UNFUNDED DEFICIENCIES 7000 Unfunded deficiency, start of year (-) 7010 New deficiency (-) 7011 Appropriations available only to liquidate deficiencies 7012 Available budgetary resources used to liquidate deficiencies 7020 Unfunded deficiency, end of year (-)

SECTION 185—FEDERAL CREDIT

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OMB is in the process of realigning the sections of the Report on Budget Execution and Budgetary Resources (SF 133), Apportionment and Reapportionment Schedule (SF 132), and Program and Financing schedule that share common data elements. This is being done on a phased basis, beginning with the SF 133, which will be prepared on the new basis for FY 2010. Agencies will switch to the new format when reporting first quarter SF 133s in January 2010. *For the remainder of FY 2009, agencies should continue to use the budget execution guidance contained in Part 8 of this Circular*. During the transition period, SF 133s and SF 132s will use different formats.

This advance guidance reflects the realigned line entries on the SF 133. It was first issued in May 2009.

Summary of Changes

For credit programs estimating subsidy rates for cohorts after the budget year, updates guidance for discounting (sections 185.3 and 185.5).

Clarifies guidance for subsidy cost estimates where the borrower's interest rate is indexed to a Treasury rate (sections 185.5 and 185.24).

Clarifies requirement that agencies with non-standard terms and conditions on underlying loans need to consult with their OMB program examiner (section 185.5).

Clarifies requirement that both traditional and balances approach reestimates are required for each risk category/cohort, unless otherwise approved by OMB (section 185.6).

Modifies line entries for direct and reimbursable obligations throughout the section.

185.1 Does this section apply to me?

These instructions apply to all programs that provide direct loans or loan guarantees (see sections 185.3(d) and (m) for definitions of these terms) to non-Federal entities and are subject to the Federal Credit Reform Act of 1990, as amended (FCRA). Even though Section 506 of the FCRA exempts certain programs from credit reform budgeting, these programs are still required to report data in MAX schedules G and H (see section 185.11) and follow other instructions contained in this Circular.

This section answers frequently asked questions, defines credit terms and concepts, and illustrates how budget formulation, apportionment, and budget execution forms should be prepared. This section supplements the instructions provided in other parts of this Circular and should be used in conjunction with other credit program guidance in Circular A–129, Policies for Federal Credit Programs and Non-Tax Receivables (http://www.whitehouse.gov/omb/circulars_default/).

Section 504(b) of the FCRA provides that new direct loan obligations and new loan guarantee commitments may be made only to the extent that:

- New budget authority to cover their costs is provided in advance in an appropriations act;
- A limitation on the use of funds otherwise available for the cost of a direct loan or loan guarantee program is provided in advance in an appropriations act; or
- Authority is otherwise provided in an appropriations act.

These requirements also apply to modifications of direct loans (or direct loan obligations) or loan guarantees (or loan guarantee commitments) that increase their cost, including modifications of pre–1992 direct loans and loan guarantees. OMB will specify exemptions from these requirements for mandatory programs pursuant to section 504(c) of the FCRA.

Unless otherwise specified by law, budget authority is available for liquidating obligations (i.e., outlays) for only five fiscal years after the authority expires. For credit subsidies financed by annual or multi-year budget authority, you must ensure that the budget authority for the subsidy cost will remain available for disbursement over the full period in which loans will be disbursed. If you expect the disbursement period will be longer than five fiscal years after the budget authority expires, you must include a special provision in the appropriations language (see section 95).

185.2 What background information must I know?

The FCRA changed the budgetary measurement of cost for direct loans and loan guarantees from the amount of cash flowing into or out of the Treasury to the estimated long-term cost to the Government. Only the unreimbursed costs of making or guaranteeing new loans (the subsidy cost, on a present value basis, and administrative expenses, on a cash basis) are included in the budget. Agencies must receive appropriations for the subsidy cost before they can enter into direct loan obligations or loan guarantee commitments. The actual cash flows are recorded as a means of financing (see section 20.7(h)) and are not included in the budget totals.

The subsidy cost is the estimated present value of the cash flows from the Government (excluding administrative expenses) less the estimated present value of the cash flows to the Government resulting from a direct loan or loan guarantee, discounted to the time when the loan is disbursed. The cash flows are the contractual cash flows adjusted for expected deviations from the contract terms (delinquencies, defaults, prepayments, and other factors). Present values must be calculated using the OMB Credit Subsidy Calculator 2. The OMB Credit Subsidy Calculator 2 discounts the cash flow that is estimated for each year (or other time period) using the interest rate on a marketable zero-coupon Treasury security with the same maturity from the date of disbursement as that cash flow. A positive net present value means that the Government is extending a subsidy to borrowers; a negative present value means that the credit program generates a "profit" (excluding administrative costs) to the Government.

Appropriations for the subsidy cost are made to the program account established for the credit program and are recorded as budget authority. Obligations for the subsidy cost are recorded when the Government enters into a loan obligation or guarantee commitment. Outlays are recorded when the direct loan or guaranteed loan is disbursed to the public and simultaneously the subsidy is paid from the program account to the financing account. The program account also receives appropriations for the direct costs of administering the credit program.

The actual cash flows (e.g., loan disbursements, collections of principal and interest payments, and payment of guarantee claims) are recorded in separate financing accounts. There is at least one financing account associated with each program account. Separate financing accounts are required for direct loan cash flows and for loan guarantee cash flows if the program account provides subsidy costs for both forms of credit. The transactions of the financing accounts are displayed in the budget *Appendix* for informational and analytical purposes, together with the related program accounts, but are excluded from the budget totals because the net cash flows do not represent a cost to the Government. The direct loan financing account combines the subsidy payment from the program account with borrowing from Treasury to finance the direct loans. It repays Treasury over time using principal and interest collected from the borrower. The loan guarantee financing account holds the subsidy payment from the program account as a reserve against default claims. The reserve, together with interest earnings on this reserve from Treasury, is used to pay default claims over the life of the loans.

All cash flows resulting from direct loan obligations and loan guarantee commitments made prior to the effective date of the FCRA (in FY 1991 or previous years) are recorded in liquidating accounts. These accounts are recorded on a cash basis and are included in the budget totals. Liquidating account collections are available to pay obligations of the account, but they are not available to finance new direct loans or loan guarantees. If the collections are insufficient, the FCRA provides liquidating accounts with permanent indefinite authority to pay for losses and to repay any debt owed to Treasury or to other sources.

By focusing on the long-term costs of the program, credit budgeting meets the most fundamental goal of budgetary cost measurement: it provides decision makers with the information and the incentive to allocate resources efficiently. Unlike most budgetary transactions, the cash disbursements for a credit program are a poor measure of cost. Counting outlays for loan disbursements without taking into account probable repayments overstates the cost of a direct loan. Loan guarantees appear costless initially because payments of guarantee claims generally occur several years after the decision to extend credit has been made. Credit budgeting places the cost of credit programs on a budgetary basis equivalent to other federal spending, allowing for better comparison of cost between direct loan and loan guarantee programs and between credit and other programs. This improves the incentive to make good budgetary decisions.

Agencies are required to reestimate the subsidy cost throughout the life of each cohort of direct loans or loan guarantees to account for differences between the original assumptions of cash flow and actual cash flow or revised assumptions about future cash flow. These reestimates represent additional costs or savings to the Government and are recorded in the budget. Reestimates that indicate an increase in the subsidy cost are financed by permanent indefinite authority. There are two types of reestimates. Interest rate reestimates adjust for the effect on the subsidy of differences between actual interest rates and the discount rates assumed when estimates were made for budget formulation and obligation (the same discount rate assumptions must be used at formulation and obligation). These reestimates must be made when the cohort is at least 90 percent disbursed. Technical reestimates adjust for revised assumptions about loan performance, such as differences between assumed and actual default rates or new projections of prepayments. These reestimates must be made after the close of each fiscal year, unless an alternative plan has been approved by OMB.

Modifications of a direct loan or loan guarantee can also change the subsidy cost. A modification is any Government action different from the baseline assumptions that affects the subsidy cost, such as a change in the terms of the loan contract or legislation that provides new collection tools. The cost of a modification is the difference between the present value of the cash flows before and after the modification. Agencies must have budget authority available to cover the cost of a modification that increases the subsidy before the loans can be modified.

185.3 What special terms must I know?

The following are key terms used in credit budgeting. In these definitions, the term "post–1991" means direct loan obligations or loan guarantee commitments made on or after October 1, 1991, and the resulting direct loans or loan guarantees. The term "pre–1992" means direct loan obligations or loan guarantee commitments made prior to October 1, 1991, and the resulting direct loans or loan guarantees.

(a) ***Administrative expenses*** mean all costs that are directly related to credit program operations, including payments to contractors. The FCRA generally requires that administrative expenses for both pre–1992 and post–1991 direct loans and loan guarantees be included in program accounts. Administrative expenses are included in the liquidating accounts only if the amounts would have been available for administrative expenses under a provision of law in effect prior to October 1, 1991, and if no direct loan obligation or loan guarantee commitment has been made, or any modification of a direct loan or loan guarantee has been made, since September 30, 1991.

Administrative expenses that are tangentially related to the credit program should not be included in the program account. As an illustration, the cost of auditing credit programs that is financed in the accounts for Inspectors General should not be included. Administrative expenses include:

- The appropriate proportion of administrative expenses that are shared with non-credit programs;
- The cost of operating separate offices or units that make policy decisions for credit programs;
- The cost of loan systems development and maintenance, including computer costs (under no circumstances should computer costs be paid out of financing accounts);
- The cost of monitoring credit programs and private lenders for compliance with laws and regulations;

- The cost of all activities related to credit extension, loan servicing, write-off, and close out; and
- The cost of collecting delinquent loans, except for the costs of foreclosing, managing, and selling collateral that are capitalized or routinely deducted from the proceeds of sales.

The capitalized costs of foreclosing, managing, and selling collateral are those that add or maintain value to property prior to sale. These costs are part of the cash flows that must be taken into account in calculating the subsidy cost. They are financed by the subsidy cost payment from the program account to the financing account and paid out of the financing account. The cost of managing these functions must be paid from administrative expense appropriations in the program account.

Administrative expenses may be expended directly from the program account or, if authorized by appropriation language (see section 95), used to reimburse a salaries and expenses account or the Federal Financing Bank (FFB). If they are transferred to a salaries and expenses account or the FFB, record the transfer as an expenditure transfer. Record an obligation and outlay in the program account and an offsetting collection in the salaries and expenses account. In the salaries and expenses account, obligations for administrative expenses may be recorded without necessarily identifying them as credit program expenses.

Administrative expenses are almost always provided by annual appropriations acts and, therefore, are discretionary spending. If such expenses are included in a program account that subsidizes a mandatory program, the account will be split between mandatory and discretionary spending.

(b) ***Claim payment*** means a payment made to private lenders when a guaranteed loan defaults.

(c) ***Cohort*** means all direct loans or loan guarantees of a program for which a subsidy appropriation is provided for a given fiscal year (except as provided below for pre–1992 direct loans and loan guarantees that are modified). For direct loans and loan guarantees for which a subsidy appropriation is provided for one fiscal year, the cohort will be defined by that fiscal year. For direct loans and loan guarantees for which multi-year or no-year appropriations are provided, the cohort is defined by the year of obligation. Direct loans and loan guarantees that are made from supplemental appropriations will be recorded in the same cohort as those that are funded in annual appropriations acts. These rules apply even if the direct loans or guaranteed loans are disbursed in subsequent years.

Cohort accounting applies to post–1991 direct loans and loan guarantees and pre–1992 direct loans and loan guarantees that have been modified. Post–1991 direct loans or loan guarantees remain with their original cohort throughout the life of the loans, even if they are modified. Pre–1992 direct and guaranteed loans are assigned to a single cohort by program and credit instrument regardless of the fiscal year of the subsidy appropriation. For purposes of budget presentation, cohorts will be aggregated. However, accounting and other records must be maintained separately for each cohort.

(d) ***Direct loan*** means a disbursement of funds by the Government to a non-Federal borrower under a contract that requires repayment of such funds with or without interest. The term includes:

- The purchase of, or participation in, a loan made by another lender;
- Financing arrangements that defer payment for more than 90 days, including the sale of a Government asset on credit terms; and
- Loans financed by the Federal Financing Bank (FFB) pursuant to agency loan guarantee authority.

The term does not include the acquisition of federally guaranteed loans in satisfaction of default or other guarantee claims or the price support loans of the Commodity Credit Corporation.

Pre–1992 loans made by the FFB on behalf of any agency continue to be recorded as direct loans of the agency. Agency guarantees of post–1991 loans that are financed by the FFB are treated as direct loans in the budget, but the intrabudgetary cash flows reflect elements of direct loans and loan guarantees. The direct loan financing account for these loans will collect and hold the subsidy payment from the program account. This balance, together with interest earnings, will be available to pay the FFB in the event of default by the non-Federal borrower. Agencies with programs financed by the FFB should consult with the OMB representative with primary responsibility for the program to ensure correct treatment of these loans.

(e) ***Direct loan obligation*** means a binding agreement by a Federal agency to make a direct loan when specified conditions are fulfilled by the borrower.

(f) ***Direct loan subsidy cost*** means the estimated long-term cost to the Government of a direct loan, calculated on a net present value basis, excluding administrative costs. Specifically, the cost of a direct loan is the net present value, at the time when the direct loan is disbursed from the financing account, of the following estimated cash flows:

- Loan disbursements;
- Repayments of principal;
- Payments of interest;
- Recoveries or proceeds of asset sales; and
- Other payments by or to the Government over the life of the loan.

These estimated cash flows include the effects of estimated defaults, prepayments, fees, penalties, and expected actions by the Government and the borrower within the terms of the loan contract, such as the exercise by the borrower of an option included in the loan contract.

Obligations for the subsidy cost will be recorded against budget authority in the program account when the direct loan obligation is incurred. Accounts payable (to the direct loan financing account) will be recorded in the amount of the estimated obligation. The subsidy will be paid to the financing account for each disbursement when the loan is disbursed. (See section 185.5 and the OMB Credit Subsidy Calculator 2 and accompanying documentation for information about estimating the subsidy.)

(g) ***Discount rates*** mean the collection of interest rates that are used to calculate the present value of the cash flows that are estimated over a period of years. The discount rates are based on the Treasury rates in the economic assumptions for the budget year. For loans made, guaranteed, or modified in FY 2001 and thereafter, the cash flow estimated for each year (or other time period) is discounted using the interest rate on a marketable zero-coupon Treasury security with the same maturity from the date of disbursement as that cash flow. The discount rate assumptions for the budget will be provided by OMB in a file for use with the OMB Credit Subsidy Calculator 2. The rate at which interest will be paid on the amounts borrowed or held as an uninvested balance by a financing account for a particular cohort is a disbursement-weighted average discount rate (for cohorts before 2001) or single effective rate (for cohorts 2001 and after) derived from this collection of interest rates. For subsidy rate estimates beyond the budget year, please consult your OMB examiner regarding the appropriate discount rates. Actual interest income or expense for financing accounts must be calculated with the OMB Credit Subsidy Calculator 2.

(h) ***Economic assumptions*** include the interest rates used for discounting cash flows, the rate of inflation, and may include other assumptions as applicable to a particular program. They also include the interest rate charged to the borrower on the loan, if the rate is tied to a variable benchmark, such as the rate on specified Treasury securities.

(i) ***Financing account*** means a non-budgetary account (i.e., its transactions are excluded from the budget totals) that records all of the cash flows resulting from post–1991 direct loans or loan guarantees. It disburses loans, collects repayments and fees, makes claim payments, holds balances, borrows from Treasury, earns or pays interest, and receives the subsidy cost payment from the credit program account. There is at least one financing account associated with each program account. Separate financing accounts are required for direct loan cash flows and for loan guarantee cash flows if the program account receives appropriations for both forms of credit. Financing account schedules are printed in the budget *Appendix* together with the program account.

(j) ***Forecast assumptions*** are factors that affect the expected cash flows of the loan or guarantee. They are factors which are estimated, but not actually observable, at the time of loan origination or modification. Forecast assumptions include: default rates, timing of defaults, delinquency rates, late fees, proceeds from the sale of collateral or acquired defaulted loans, income from (and costs of managing) foreclosed collateral and acquired defaulted guaranteed loans, reschedulings, prepayments, loan asset sales proceeds and costs, and disbursement rates.

(k) ***Liquidating account*** means a budget account that records all cash flows to and from the Government resulting from pre–1992 direct loan obligations or loan guarantee commitments (unless they have been modified and transferred to a financing account). Liquidating account collections in any year are available only for obligations incurred during that year or to repay debt. In general, all liquidating account transactions are classified as mandatory. Collections credited to a liquidating account include:

- Interest;
- Loan repayments and prepayments;
- Payments from financing accounts when required for modifications;
- Proceeds from the sales of loans; and
- Fees.

These collections are available only for:

- Interest payments and repayment of debt;
- Disbursements of loans;
- Default and other guarantee claim payments;
- Interest supplement payments;
- Cost of foreclosing, managing, and selling collateral that is capitalized or routinely deducted from the proceeds of sales;
- Payments to financing accounts when required for modifications;
- Administrative expenses, but only if (1) amounts credited to the liquidating accounts would have been available for administrative expenses under a provision of law in effect prior to October 1, 1991, and (2) no direct loan obligations or loan guarantee commitments have been made, or any modification of a direct loan or loan guarantee has been made, since September 30, 1991; and
- Other payments that are necessary for the liquidation of pre–1992 direct loan obligations and loan guarantee commitments.

Amounts credited to liquidating accounts in any year are only available for obligations that are incurred in that year (the outlay may occur in a subsequent year) and for repayment of debt. Any remaining unobligated balances at the end of the fiscal year are unavailable for obligation in subsequent fiscal years and must be transferred to the general fund at the end of the fiscal year unless an extension has been approved by OMB (see section 51.13).

The FCRA provides permanent indefinite authority to cover obligations and commitments in the event that funds in liquidating accounts are otherwise insufficient. If the liquidating account's obligations will exceed its collections during the year, the agency must request an apportionment and warrant of permanent indefinite authority estimated to be needed for the fiscal year, before the beginning of the fiscal year.

The liquidating account status of direct and/or guaranteed loans schedule reflects disbursements and repayments of pre–1992 loans. Therefore, in the liquidating account status of direct and/or guaranteed loans:

- There will be no post–1991 direct loan obligations or loan guarantee commitments;
- Direct and guaranteed loan disbursements will be shown only for pre–1992 direct loans or loan guarantees; and
- Repayments and prepayments will reflect only pre–1992 direct loan obligations and loan guarantee commitments.

(l) ***Loan asset sale*** means a sale of one or more loans to a non-Federal buyer, individually, pooled, packaged, securitized, or as a joint venture, at a single point in time, subject to parties fulfilling the terms and conditions of the Government's offer. Loan assets consist of direct loans and loan receivables resulting from defaulted guaranteed loans.

(m) ***Loan guarantee*** means any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender, except for the insurance of deposits, shares, or other withdrawable accounts in financial institutions. Loans that are financed by the FFB pursuant to agency loan guarantee authority are treated as direct loans rather than loan guarantees.

(n) ***Loan guarantee commitment*** means a binding agreement by a Federal agency to make a loan guarantee when specified conditions are fulfilled by the borrower, the lender, or any other party to the guarantee agreement.

(o) ***Loan guarantee subsidy cost*** means the estimated long-term cost to the Government of a loan guarantee, calculated on a net present value basis, excluding administrative costs. Specifically, the cost of a loan guarantee is the net present value, at the time when the guaranteed loan is disbursed by the lender, of the following estimated cash flows:

- Payments by the Government to cover defaults and delinquencies, interest subsidies, and other requirements; and
- Payments to the Government, including origination and other fees, penalties, and recoveries.

These estimated cash flows include the effects of expected Government actions and the exercise by the guaranteed lender or the borrower of an option included in the loan guarantee contract.

Obligations for the subsidy cost are recorded against budget authority in the program account when the loan guarantee commitment is made. The subsidy for each disbursement is paid to the guaranteed loan financing account when the loan is disbursed by the private lender. (See section 185.5 and the OMB Credit Subsidy Calculator 2 and accompanying documentation for information about estimating the subsidy.)

(p) ***Loan terms*** are those terms made explicit in the contract between the U.S. Government and the borrower or in the Federally guaranteed contract between a private lender and the borrower. These assumptions are forecast in the formulation subsidy cost estimate but are known at the time of loan origination. They may include: the interest rate charged on loans, the extent of a guarantee, fees, repayment terms, collateral held, and other factors such as grace periods.

(q) ***Methodological assumptions*** are the technical practices used to develop subsidy cost estimates and loan modification cost estimates. These assumptions include methods and models or cash flow estimation, discounting methodology, and mathematical equations used in subsidy cost estimation. Agencies are required to use the same version of the OMB Credit Subsidy Calculator 2 within risk categories and cohorts.

(r) ***Modification*** means a Government action that (1) differs from actions assumed in the baseline estimate of cash flows and (2) changes the estimated cost of an outstanding direct loan (or direct loan obligation) or an outstanding loan guarantee (or loan guarantee commitment). The modification may be for a single loan or loan guarantee as well as a group; it may be any size; and it may affect pre–1992 direct loans and loan guarantees or post–1991 direct loans or loan guarantees. New legislation that alters the baseline cash flow estimate for a loan or group of loans always results in a modification.

A Government action may change the cost directly by altering the terms of existing contracts, selling loan assets (with or without recourse) or converting guaranteed loans to direct loans by purchasing them from a private lender. It also may change the cost indirectly by legislatively changing the way in which a portfolio of direct loans or guaranteed loans is administered. Examples of changes in the terms of existing loan contracts are forgiveness, forbearance, interest rate reductions, extensions of maturity, and prepayments without penalty. Examples of changes in loan administration are new methods of debt collection, such as using tax refunds to repay loans and restrictions on debt collections. If the baseline cost estimate does not assume an action, and the cost would be increased or decreased as a result of that action, the action is a modification.

Modifications do not include a Government action that is assumed in the baseline cost estimate, as long as the assumption is documented and has been approved by OMB. For example, modifications would not include routine administrative workouts (see section 185.3(ab)) of troubled loans or loans in imminent default. They also would not include a borrower's or the Government's exercise of an option that is permitted within the terms of an existing contract, such as a borrower prepaying the loan. The baseline subsidy estimate must include all anticipated actions by the Government, lenders, and borrowers that are permissible under current law and that affect the cash flow. Subsequently, if the cost estimate of an action by the borrower, lender, or the Government differs from what is anticipated in the documented baseline subsidy estimate, then the difference in cost is included in a reestimate. Assumptions underlying the subsidy estimates must be documented to assist in determining whether an action is a modification or a reestimate.

Modifications do not include additional disbursements to borrowers that increase the amount of an outstanding direct loan or an outstanding loan guarantee. These are treated as new direct loans or loan guarantees in the amount of the additional disbursement.

There are situations where it is not clear whether a Government action constitutes a modification or a reestimate. These situations should be judged on a case-by-case basis by OMB in consultation with the agency. They could include actions by the Government that are not addressed in existing contracts, management changes that are within an agency's existing specific authority for the loan program, and broad changes in agency policy (e.g., loan sale policy). In general, if the possibility of the action was explicitly included in the cash flows for the baseline subsidy estimate, and this can be documented, it would most likely be a reestimate. If not, it would most likely be a modification.

Modifications produce a one-time change in the subsidy cost of *outstanding* direct loans and loan guarantees. The effect of the Government action on the subsidy cost of direct loan obligations and loan guarantee commitments made after the date of the modification, if there is any effect, is not a modification. Instead, the effects are incorporated in the initial cost estimates for subsequent direct loan obligations and loan guarantee commitments.

(s) ***Modification cost*** means the difference between the estimate of the net present value of the remaining cash flows assumed for the direct loan or loan guarantee contract before and after the modification. The estimate of the remaining cash flows before the modification must be the same as assumed in the baseline for the most recent President's budget. The estimate of the remaining cash flows after the modification must be the pre-modification cash flows adjusted solely to reflect the effects of the modification.

An outstanding direct loan (or direct loan obligation) or loan guarantee (or loan guarantee commitment) can not be modified in a manner that increases its cost, unless budget authority for the additional cost has been provided in advance in an appropriations act. If the modification is mandated in legislation, the legislation itself provides the budget authority to incur a subsidy cost obligation (whether explicitly stated or not).

Budget authority, an obligation, and an outlay will be recorded in the year in which the legislation is enacted or the administrative discretion is exercised, or in the case of appropriations acts enacted before the fiscal year to which they apply, the year for which appropriations are provided. See section 185.7 for guidance on calculating modification costs.

(t) ***Modification adjustment transfer*** means an adjusting entry to correct for differences between current discount rates and cohort discount rates**.** When a post–1991 direct loan or loan guarantee is modified, a modification adjustment transfer must be made between the financing account and the general fund. The modification adjustment transfer adjusts for the disconnect between the discount rate used to calculate the cost of the modification and the interest rate at which the cohort pays or earns interest. These calculations and the budgetary treatment are explained in section 185.7.

(u) ***Negative subsidies*** mean subsidy costs that are less than zero. They occur if the present value of cash inflows to the Government exceeds the present value of cash outflows. In such cases, appropriations bills must still provide specific authority before direct loans or loan guarantees can be made, generally in the form of a loan limitation.

When a direct loan obligation or a loan guarantee commitment is made that has a negative subsidy, an amount equal to the negative subsidy will be obligated in the financing account. When the loan is disbursed, the financing account will pay the negative subsidy to the negative subsidy receipt account. The collections are recorded as offsetting receipts, and they offset the agency's budget authority and outlays. The accounting for negative subsidies is discussed in (v) below.

(v) ***Negative subsidy receipt accounts*** mean budget accounts for the receipt of amounts paid from the financing account when there is a negative subsidy for the original estimate (see section 185.3(u)). The receipt account is a general fund receipt account and amounts are not earmarked for the credit program. They are available for appropriation only in the sense that all general fund receipts are available for appropriation. Separate downward reestimate receipt accounts are used to record amounts paid from the financing account for downward reestimates (see section 185.3(y)).
At the discretion of the OMB representative with primary responsibility for the program, a special fund receipt account may instead be established for the purpose of earmarking the receipts for appropriation to the program (in which case a special fund expenditure account also will be established and merged with the program account). If the program is a discretionary program, these receipts are available for

obligation only to the extent provided in annual appropriations acts. For mandatory programs, the receipts are permanently appropriated for subsidy costs but usually are available for administrative expenses only to the extent provided in annual appropriations acts.

Obligations may not be incurred against appropriations of the receipts until they have been credited to the receipt account. Because negative subsidy receipts are not credited to the receipt account until the underlying direct loan or guaranteed loan is disbursed, they might not become available in time to fund expenditures in a timely manner. Such situations might require an appropriation from the general fund to permit obligations to be made until receipts are available for obligation.

(w) ***Net proceeds***, when used in the context of loan asset sales, mean the amounts paid by the purchasers less all seller transaction costs (such as underwriting, rating agency, legal, financial advisory, and due diligence fees) that are paid out of the gross sales proceeds rather than paid as direct obligations by the agency. The net proceeds from the sale of an equity partnership are the same as defined above plus an estimate of the net present value of future cash inflows to the Government from the sale.

(x) ***Program account*** means a budget account that receives and obligates appropriations to cover the subsidy cost of a direct loan or loan guarantee and disburses the subsidy cost to the financing account. Program accounts usually receive a separate appropriation for administrative expenses.

(y) ***Reestimates*** mean revisions of the subsidy cost estimate of a cohort (or risk category) based on information about the actual performance and/or estimated changes in future cash flows of the cohort. Reestimates must be made immediately after the end of each fiscal year, as long as any loans in the cohort are outstanding, unless a different plan is approved by OMB (see section 185.6). An upward reestimate indicates that insufficient funds had been paid to the financing account, so the increase (plus interest on reestimates) is paid from the program account to the financing account to make it whole. Permanent indefinite budget authority is available for this purpose pursuant to section 504(f) of the FCRA. A downward reestimate indicates that too much subsidy had been paid to the financing account. The excess (plus interest) is disbursed to a downward reestimate receipt account. See Section 185.6 for guidance on calculating reestimates.

(z) ***Risk categories*** mean subdivisions of a cohort of direct loans or loan guarantees into groups that are relatively homogeneous in cost, given the facts known at the time of obligation or commitment. They are developed by agencies in consultation with the OMB representative with primary budget responsibility for the credit account. The number will depend on the size of the difference in subsidy cost between categories and the ability to predict it statistically based on facts known at origination.

Risk categories will group all direct loans or loan guarantees within a cohort that share characteristics predictive of defaults and other costs. They may be defined by characteristics or combinations of characteristics of the loan, the project financed, and/or the borrower. Examples of characteristics or indicators that may predict cost include:

- The loan-to-value ratio;
- The relationship between the loan interest rate and relevant market rates;
- Type of school attended for education loans;
- Country risk categories for international loans; and
- Various asset or income ratios.

Statistical evidence must be presented, based on historical analysis of program data or comparable credit data, concerning the likely costs of defaults, other deviations from contract, or other costs that are expected to be associated with the loans in that category.

(aa) ***Subsidy estimates*** mean estimates of budget authority and outlays for direct loan and loan guarantee subsidy costs for a cohort or risk category of direct loans or loan guarantees. Like budget estimates for non-credit programs, the budget includes both Presidential policy subsidy estimates and baseline subsidy estimates. Baseline subsidy estimates project the current year (CY) levels of subsidy costs into the outyears based on laws already enacted. Presidential policy subsidy estimates reflect the effect on subsidy costs of policies included in the budget, including any proposed legislation that would affect subsidy costs. See section 185.5 for guidance on calculating subsidy estimates.

(ab) ***Work-outs*** mean plans that offer options short of default or foreclosure for resolving troubled loans or loans in imminent default, such as deferring or forgiving principal or interest, reducing the borrower's interest rate, extending the loan maturity, or postponing collection action. Work-outs are expected to minimize the cost to the Government of resolving troubled loans or loans in imminent default. They should only be utilized if it is likely that the borrower will be able to repay under the terms of the work-out and if the cost of the work-out is less than the cost of default or foreclosure. For post–1991 direct loans and loan guarantees, the expected effects of work-outs on cash flow are included in the original estimate of the subsidy cost. Therefore, to the extent that the effects of work-outs on cash flow are the same as originally estimated, they do not alter the subsidy cost. If the effects on cash flow are more or less than the original estimate, the differences are included in reestimates of the subsidy and are not a modification.

185.4 Are there special requirements for reporting Antideficiency Act violations?

Yes. The special requirements for credit programs are provided in section 145.3.

185.5 How do I calculate the subsidy estimate?

(a) *General.*

You must provide subsidy estimates for both Presidential policy and the baseline for all budget accounts that have post–1991 direct loan obligations or loan guarantee commitments or that have modifications of pre–1992 direct loan or loan guarantee contracts. You must make subsidy estimates for each risk category. Under section 503(a) of the FCRA, OMB has the final responsibility for determining subsidy estimates, in consultation with the agencies.

Use the OMB Credit Subsidy Calculator 2 to discount all agency-generated estimates of cash flows to and from the Government. The OMB Credit Subsidy Calculator 2 and documentation provide explanation and examples of the discounting method and how the subsidy rate is calculated. All agencies must use the OMB Credit Subsidy Calculator 2 and discount rates to ensure government-wide comparability and uniformity of discounting. These can be obtained from the OMB representative with primary budget responsibility for the credit account.

Direct loan and loan guarantee subsidy costs are defined in sections 185.3(f) and (o). The subsidy cost is the estimated long-term cost to the Government of direct loans or loan guarantees calculated on a net present value basis, excluding administrative costs. For budget formulation (and execution), subsidy estimates are to be based on the economic and technical assumptions underlying the President's budget that is submitted for the fiscal year in which the funds will be obligated. For CY, this means using the economic and technical assumptions underlying the BY subsidy estimates contained in the President's budget for the previous year (adjusted for changes in terms of the contract or legislation enacted since the budget was transmitted; see section 185.24). For BY through BY+9, this means using the economic and technical assumptions in the President's Budget that will be submitted for BY.

For loans made, guaranteed, or modified in FY 2001 and thereafter, the cash flow that is estimated for each year (or other time period) is discounted using the interest rate on a marketable zero-coupon Treasury security with the same maturity from the date of disbursement as that cash flow; for example, a cash flow expected to occur one year after the date of disbursement will be discounted at the one-year zero-coupon Treasury rate. The discount rate assumptions for the budget will be provided by OMB in a file for use with the OMB Credit Subsidy Calculator 2. For estimates of credit subsidy cost in BY+1 through BY+9, please contact the OMB examiner with primary responsibility for the account regarding the appropriate discount rates for these estimates.

For direct loan programs where the borrower interest rate is tied to Treasury rates when the loan is made, agencies must use budget assumption interest rates based on the interest rate assumptions underlying the President's Budget for appropriate fiscal year of obligation, incorporating any relevant contractual terms associated with the borrower's interest rate.

For purposes of calculating loan guarantee subsidy estimates, the loan guarantee commitment is the full principal amount of the loan that is guaranteed, not just the portion guaranteed by the Government.

For credit programs with non-standard terms, including revolving facilities, please contact your primary OMB representative for further guidance.

(b) *Presidential policy subsidy estimates.*

Make separate subsidy estimates for all programs (discretionary and mandatory) for CY and BY. The steps for calculating the presidential policy estimates of subsidy budget authority and outlays (including negative subsidies) for a cohort (or risk category) of direct loans and loan guarantees are as follows:

- *Step 1.* Estimate the cash flows to and from the Government for the cohort of direct loans or loan guarantees obligated or committed in that year, for that year and each subsequent year for the life of the direct or guaranteed loan. If you have not finalized the requested amount of obligations or commitments, you may use any amount to calculate the subsidy estimate as long as the cash flows you have developed are based on that same amount. Discount these cash flows to the point of loan disbursement using the OMB Credit Subsidy Calculator 2. The difference between the present value of the cash outflows and inflows is the total subsidy (i.e., the subsidy cost) for the obligations or commitments made in that year. For calculations of subsidy cost in BY+1 through BY+9, agencies with separate credit subsidy cost estimates for each cohort should contact their OMB representative for the appropriate discount rates.

- *Step 2.* (Performed automatically by the OMB Credit Subsidy Calculator 2.) Calculate the subsidy rate for the cohort by dividing the subsidy cost by the direct loan obligations or loan guarantee commitments made in that year.

- *Step 3.* When the requested amount of direct loan obligations or loan guarantee commitments has been finalized, multiply the subsidy rate by the direct loan obligations or loan guarantee commitments to calculate budget authority (or offsetting receipts, in the case of negative subsidies) for the subsidy cost.

- *Step 4.* Subsidy outlays for each fiscal year are equal to the subsidy cost for all loans disbursed in that year, whether the loans or guarantees were obligated or committed in that year or in prior years.

(c) *Baseline subsidy estimates.*

The steps for calculating the baseline estimates of subsidy budget authority and outlays (including negative subsidies) for a cohort (or risk category) of direct loans and loan guarantees are as follows:

- *Step 1.* For discretionary programs, inflate the subsidy budget authority enacted for CY (the base year) to calculate the subsidy budget authority for BY through BY+9. The inflator is the annual adjustment factor for non-pay costs (the gross domestic product chain-type price index) provided in the economic assumptions for the President's budget that will be submitted for BY.

- *Step 2.* For mandatory programs, first calculate the subsidy rate as described above under "presidential policy estimates," excluding the effects of any legislative proposals. . For cohorts BY+1 through BY+9, cashflows should be discounted using the appropriate out-year discount rates for each cohort. For each cohort year, multiply the subsidy rate by the baseline estimate of demand for loans to calculate the subsidy BA for that cohort.

- *Step 3.* For any programs with negative subsidies, first calculate the subsidy rate as described above under "presidential policy estimates," excluding the effects of any legislative proposals. Then multiply the subsidy rate by the baseline estimate of demand for loans, constrained by the estimated limitation, to calculate the amount of offsetting receipts. The limitation should be estimated by inflating the CY enacted limitation using the annual adjustment factor for non-pay costs (the gross domestic product chain-type price index) provided in the economic assumptions for the President's budget that will be submitted for BY.

- *Step 4.* Subsidy outlays for each fiscal year are equal to the subsidy cost for all loans disbursed in that year, whether the loans or guarantees were obligated or committed in that year or in prior years. For CY only, the total also includes outlays for reestimates and interest on reestimates. First calculate outlays expected from disbursements of loans obligated or committed in prior fiscal years; for example, the subsidy cost of a direct loan obligated in CY that disburses equally over 2 years will outlay 50 percent in the first year (CY) and 50 percent in the second year (BY). Then add outlays from disbursements of loans obligated or committed in that year. For CY only, you should also add outlays for reestimates and (although it is not part of the subsidy as such) add outlays for interest on reestimates.

185.6 How do I calculate reestimates?

(a) *General.*

Subsidy reestimates are made on direct loans and loan guarantees that have been disbursed. They are recorded in the current year column of the budget. (For example, the subsidy for direct or guaranteed loans disbursed during 2009 would be reestimated during 2010 and would be recorded in the 2010 column of the FY 2011 Budget.) A closing reestimate should be made once all the loans in the cohort have been repaid or written off.

Two different types of reestimates are made:

- Interest rate reestimates, for differences between discount rate assumptions at the time of formulation (the same assumption is used at the time of obligation or commitment) and the actual interest rate(s) for the year(s) of disbursement; and

- Technical reestimates, for changes in technical assumptions.

Interest rate reestimates of the subsidy cost of a cohort of direct loans or loan guarantees must be made when a cohort has substantially disbursed (i.e., when at least 90 percent of the direct loans or guaranteed loans have been disbursed). The computation should be made after the close of the fiscal year in which this criterion is met, unless a later time within the same fiscal year is approved by the OMB representative with primary budget responsibility for the credit account. You may calculate interest rate reestimates more frequently than under this requirement, including a final interest rate reestimate when the cohort has fully disbursed. If you decide to do so, consult with the OMB representative with primary responsibility for the account.

An interest rate reestimate will be made to adjust the subsidy estimate for the difference between the discount rates estimated at the time of formulation (the same assumptions are used at the time of obligation or commitment) and the actual interest rate(s) prevailing during the year(s) of disbursement. To calculate the size of this effect, all other assumptions (disbursement rates, default rates, etc.) must be identical to those used to calculate the original subsidy estimate. For those programs with variable interest rate supplements to the lender or with variable interest rates charged to the borrower, the original cash flow projections are adjusted to incorporate the actual interest rate(s) prevailing during the year(s) of disbursement and are subsequently adjusted after the end of each year so long as the loans are outstanding. Those programs that benchmark to Treasury rates for borrower's interest rates or interest subsidies to lenders will also update cashflow assumptions for the actual Treasury interest rates.

Technical reestimates of the subsidy cost of a cohort of direct loans or loan guarantees must be made after the close of each fiscal year as long as the loans are outstanding, unless a different plan is approved by the OMB representative with primary budget responsibility for the credit account. The different plan might be with regard to the time when reestimates are made within the year or the frequency of reestimates. If the plan allows reestimates to be made less frequently than every year, it should require reestimates to be made for any year when any one of the following four conditions is met:

(1) When required based on periodic schedules established in coordination with OMB, consistent with the unique attributes of each program (e.g., initially every two years after the cohort has been substantially disbursed, then every five years);

(2) When a major change in actual versus projected activity is detected (e.g., a loan that is large relative to the size of the portfolio goes into default or prepays substantially earlier than expected);

(3) When a material difference is detected through monitoring triggers developed in coordination with OMB. The triggers would focus on major data elements (e.g., total projected versus total actual cohort collections) rather than in-depth individual cohort analysis. Agencies should focus on a few major loan elements recognizing there are different key elements applicable to each program and different reporting problems; and

(4) When a cohort is being closed out.

Technical reestimates are made for all changes in assumptions other than interest rates. This type of reestimate compares the subsidy estimate that already includes any reestimate for actual interest rates with a reestimated subsidy using updated technical information (for defaults, fees, recoveries, etc.) as well as actual interest rates.

The purpose of technical reestimates is to adjust the subsidy estimate for differences between the original projection of cash flows (as estimated at obligation) and the amount and timing of cash flows that are expected based on actual experience, new forecasts about future economic conditions, and other events and improvements in the methods used to estimate future cash flows. Because actual cash flows are experienced every year and the ability to forecast future years also changes, this reestimate must be done after the end of every fiscal year as long as any loans are outstanding (except as provided above).

Reestimates must be made separately for each cohort. If a cohort is divided into risk categories, each risk category within a cohort must be reestimated separately. The reestimate will then be compared with the previous estimate. For this purpose, all details of the previous subsidy estimates by risk category should be retained in program records.

The requirements for recording reestimates in the budget and the financial statements are not identical. For both interest rate and technical reestimates, you should record reestimates in the budget whenever they have been made for the financial statements even if they are not otherwise required for the budget under the criteria of this chapter (e.g., if interest rate reestimates are made before the cohort is substantially disbursed, or if technical reestimates are made more often than under a plan OMB has approved). You should also be sure to record reestimates in the budget whenever they are required for the budget under the criteria of this section, even if they are not required for the financial statements (e.g., if reestimates are not material for the financial statements). Whenever reestimates are made less frequently than every year, the reestimate should cover cumulatively the entire period since the last reestimate.

(b) *Calculating interest rate reestimates.*

Use the following procedures to calculate interest rate reestimates, unless an alternative method has been approved by OMB. For further details, see the instructions accompanying the OMB Credit Subsidy Calculator 2 (the Calculator), available from the OMB representative with primary budget responsibility for the credit account.

- *Step 1*. Start with the original cash flows used to estimate the subsidy at obligation (on a risk category basis), updated only for actual interest rate(s) as outlined above.

- *Step 2*. Reestimate the subsidy rate using the OMB Credit Subsidy Calculator 2. The Calculator will use the actual average annual interest rates for the year in which the loans were disbursed. For programs that disburse over more than one year, the Calculator will determine a disbursement-weighted average discount rate (for cohorts before 2001) or single effective rate (for cohorts 2001 and after) based on actual average annual interest rates for each year in which loans have disbursed using the original disbursement assumptions. The Calculator will calculate a revised subsidy rate for the entire cohort. This is the interest rate reestimated subsidy rate.

- *Step 3*. Calculate the percentage point difference between this revised subsidy rate and the subsidy rate estimated at the time of obligation. For example, if the subsidy rate estimated at the time of obligation is 7 percent and the revised subsidy rate is 9 percent, then this difference is 2 percentage points. The Credit Subsidy Calculator 2 can automatically perform this calculation when performing technical reestimates, please see accompanying documentation for the Calculator for more information.

- *Step 4*. Multiply the dollar value of actual loan disbursements to date by the percentage point difference in the subsidy rates. For example, using the case in step 3, if $100 million in loans have been disbursed, then this amount would be $2 million ($100 million multiplied by 2 percentage points). The product is the cumulative interest rate reestimate.

- *Step 5*. To derive the additional interest rate subsidy reestimate for the current year, deduct previous interest rate reestimates (if any) (see (d) below).

(c) *Calculating technical reestimates.*

There are two methods for calculating technical reestimates: the traditional approach and the balances approach. Under the traditional approach, reestimates are performed by revising the original subsidy estimate cash flows to incorporate any available actual data and to update future year projected data for any changes in assumptions. Under the balances approach, reestimates are performed by comparing the net present value of projected future cash flows to the balance in the financing account. The OMB Credit Subsidy Calculator 2 can calculate both traditional approach and balances approach reestimated subsidy rates. The dollar reestimate is calculated using the balances approach. Both traditional and balances approach reestimates are required for each risk category/cohort, unless otherwise approved by OMB.

Agencies are required to use the OMB Credit Subsidy Calculator 2 for reestimate submissions for the President's Budget. The OMB Credit Calculator 2 is available from the OMB representative with primary budget responsibility for the credit account to assist with these calculations. For further details, see the documentation accompanying the OMB Credit Subsidy Calculator 2.

(d) *Calculating interest on reestimates.*

- Interest on reestimates is the amount of interest that would have been earned or paid by each cohort on the subsidy reestimate, if that reestimate had been included as part of the original subsidy estimate. It is paid on the amount of the reestimate by the program account (for upward reestimates) or the financing account (for downward reestimates). The purpose is to put the financing account in the same position as if the subsidy cost had been estimated in the first place using the information that is incorporated in the reestimate. The interest rate to calculate the interest on reestimates is the same rate that is used to discount cash flows for the cohort. Interest on reestimates is calculated automatically by the OMB Credit Subsidy Calculator 2.

(e) *Financing account interest adjustments.*

The financing account interest adjustment corrects for the difference between the interest that should have been earned or paid on the financing account debt and cash balances, and the actual net financing account interest executed for the cohort. This allows agencies to correct for the period where interest was earned or paid using budget assumption interest rates before the actual rates were available. Financing account interest adjustments are included in the interest on reestimate for reporting purposes. The OMB Credit Subsidy Calculator 2 can automatically calculate the financing account interest adjustment for cohorts with historical data. Please see the documentation accompanying the OMB Credit Subsidy Calculator 2.

(f) *Reestimate increases/decreases.*

All increases or decreases in subsidy cost for different risk categories within the same cohort will be netted against each other; that is, risk categories which require increased subsidies may first draw on the excess from any risk categories within the cohort where the reestimate shows a subsidy decrease. No such netting may occur between cohorts.

If the reestimate indicates a net increase in the subsidy cost of the cohort as a whole since the last estimate or reestimate, an obligation in the amount of the net increase (plus interest) must be recorded against permanent indefinite budget authority available to the program account for this purpose. The obligation must be recorded separately in the program and financing schedule as "reestimates of direct loan subsidy" or as "reestimates of loan guarantee subsidy" (and as "interest on reestimates of direct loan subsidy" or as "interest on reestimates of loan guarantee subsidy"), so that it can be distinguished from obligations for the subsidy cost of new loans and loan guarantees. An equal amount of outlays from the program account to the financing account will be recorded when the reestimate is made. The interest rate to calculate the interest on upward reestimates is the same rate that is used to discount cash flows for the cohort.

When outlays for reestimates are recorded in the credit program account, an equal amount of offsetting collections will be recorded in the appropriate risk categories in the financing account. In the case of direct loans, the offsetting collections from the program account, together with repayments from borrowers, will be used to pay interest and repay principal on borrowing from Treasury and for other expenses. In the case of loan guarantees, the offsetting collections will be retained as unobligated balances, together with the unobligated balances of the original subsidy payment, fees, and interest, until needed to pay default claims and other expenses. Any unused balances of collections due to the reestimate will earn interest at the same rate as is paid on other funds held by the financing account for the same cohort.

If the reestimate indicates a net decrease in the subsidy cost of the cohort as a whole since the last estimate or reestimate, there is a downward reestimate. To keep the correct amount of balances in the financing account, an obligation and a financing disbursement in the amount of the net decrease (plus interest on the reestimate) must be recorded in the financing account. In the case of direct loans, the obligation will typically be financed with authority to borrow from the Treasury. In the case of loan guarantees, the obligation will typically be financed with unobligated balances. The obligation will be recorded in the program and financing schedule as "payment of downward reestimates" (and as "interest on downward reestimates"). The interest rate to calculate the interest on downward reestimates is the same rate that is used to discount cash flows for the cohort.

As a general rule, the financing disbursement for a downward reestimate (plus interest on the reestimate) will be made from the financing account to a general fund downward reestimate receipt account established for each credit program. The receipts will be recorded as offsetting receipts, which will offset the total budget authority and outlays of the agency and the budget subfunction of the program. However, at the discretion of the OMB representative with primary responsibility for the program, a special fund receipt account may instead be established.

If a special fund receipt account is used for the credit program and already exists, the downward reestimates and interest on reestimates will be recorded in a subaccount rather than a new special fund receipt account. Schedule N is required for these special funds (see section 86.4). When a special fund receipt account is used, the receipts from downward reestimates and interest on reestimates, like those from negative subsidies, are only available for obligation to the extent provided in advance in appropriations acts (except for mandatory programs, where they are immediately available for obligation). The normal provisions still apply: discretionary appropriations are required for discretionary subsidy costs, modifications, and administrative costs; mandatory appropriations are available for upward reestimates and mandatory programs.

(g) *Closing reestimates.*

Agencies will make a closing technical reestimate once all of the loans in a cohort have been either repaid or written off. This reestimate will be based on actual accounting systems data and will be used in closing the accounting books for the cohort. All the procedures that are described above for the technical reestimate and interest on reestimates are applied. Closing entries will be made in the accounting records.

The increases or decreases in subsidy cost for different risk categories within the same cohort will be netted against each other; that is, risk categories which require increased subsidies may first draw on the excess from any risk categories within the cohort where the reestimate shows a subsidy decrease. No such netting may occur between cohorts.

185.7 How do I calculate and record modifications?

When a direct loan or loan guarantee is modified, the subsidy cost of the modification must be calculated. The subsidy cost calculation will indicate whether the Government action changes the subsidy cost. If there is no change in cost, there will be no budgetary effect, and nothing needs to be recorded in the budget. If the modification will increase or decrease the cost, the budgetary effect must be recorded as described under modification cost increases/decreases below. Additional transfers to or from the financing account will be required, with the type of transfer depending on whether the modification affects pre–1992 or post–1991 direct loans and loan guarantees. These additional transfers are described in a separate subsection below.

The subsidy cost of the modification is the difference between the estimate of the net present value of the remaining cash flows for the direct loan or loan guarantee before and after the modification. The estimate of remaining cash flows before modification must be the same as assumed in the baseline for the most recent President's budget. The estimate of remaining cash flows after modification must be the pre-modification cash flows adjusted solely to reflect the effects of the modification.

(a) Estimating the modification subsidy cost.

The modification subsidy cost is calculated using the steps below (where cash flows to the Government have positive signs and cash flows from the Government have negative signs). Note: If you are using cashflows prepared for the Credit Subsidy Calculator 2, you may need to adjust the signs for the following modification calculation.). <u>These steps must be followed for each cohort affected by the modifying action.</u>

- ***Step 1.* Calculate the net present value of remaining pre-modification cash flows**. Use the reestimated cash flows from the most recent President's budget. If applicable, exclude prior year cash flow data; calculations should be made using only the estimated flows for the current and future years. Discount these cash flows using the discount rates assumed in formulating the subsidy estimates in the President's Budget for the year in which the modification takes place. For example, if the modification will occur in 2009, then the discount rates used to discount the cash flows will be the interest rates used to formulate the 2009 President's Budget.

- ***Step 2.* Calculate the net present value of remaining post-modification cash flows**. Use the same cash flows used in step 1 above, modified only to reflect the effect of the modification. Do not alter the cash flows to reflect any other changes that may have occurred between the most recent President's Budget and the time of the modification. Use the same discount rates as in step 1 above to discount these post-modification cash flows. If a loan asset is sold, in most cases the post-modification cash flows will be the net proceeds expected from the sale (see section 185.8) and no discounting is necessary. Contact your OMB representative with questions on calculations for loan asset sales.

- ***Step 3.* Compute the cost of the modification.** This is equal to step 1 minus step 2. The results of this calculation will be positive, negative, or zero. A positive estimate indicates that the Government will incur an additional subsidy cost because of the modification. A negative estimate indicates that the Government is achieving savings.

(1) *Cost increases*. Modifications may be made only to the extent that budget authority for the additional cost has been provided in advance and is available in the program account. At the time that a modification is made, record an obligation in the amount of the estimated increase in subsidy cost against budget authority in the program account. At the same time, record an outlay in the amount of the increase in the subsidy cost from the program account to the appropriate direct loan or guaranteed loan financing account. Simultaneously, record an equal amount of offsetting collections in the financing account.

In the case of *direct loans*, the offsetting collections in the financing account will be credited to the cohort and risk category of the modified loan and will be used to pay interest and to repay debt owed to Treasury and for other expenses. In the case of *loan guarantees*, the offsetting collections will be credited to the cohort and risk category of the modified loan guarantee and will be retained as unobligated balances until needed to pay default claims and other expenses. The additional balances due to the modification will earn interest at the same rate as is paid on other funds held by the financing account for the same cohort.

(2) *Cost decreases.* At the time that a modification is made, record an obligation in the amount of the estimated decrease in subsidy cost in the financing account. In the case of a direct loan modification, record the obligation against authority to borrow from the Treasury. In the case of a loan guarantee, record the obligation against unobligated balances for the cohort, or if unobligated balances are insufficient, against authority to borrow. At the same time, record in the financing account an equal disbursement to the negative subsidy receipt account established for each credit program.

See sections 185.10, 185.11, and 185.30 for additional information on recording these transactions for budget formulation and execution.

(b) Estimating the modification adjustment transfer.

The above calculation is the cost of the modification. However, for post–1991 direct loans or loan guarantees, an additional calculation must be accomplished to account for the disconnect between the discount rate used to calculate the cost of the modification and the interest rate at which the cohort pays or earns interest. If the only transfer made between the financing account and the general fund was for the change in the subsidy cost, the resources of the financing account would be out of balance. This imbalance is corrected by a modification adjustment transfer between the financing account and the general fund. The transfer is not an outlay or an offsetting collection because it does not represent a cost to the Government of the loan or the guarantee. Instead, it is a facilitating adjustment that makes the present value of the assets and liabilities held by the financing account come out even.

To compute the modification adjustment transfer, one needs to follow the following steps:

- ***Step 4*. Calculate the net present value of remaining pre-modification cash flows using cohort interest rates**. Take the pre-modification cash flows from step 1 and compute the net present value of these cash flows using the applicable cohort interest rate (as opposed to the President's Budget formulation discount rates used in step 1).

- ***Step 5*. Calculate the net present value of remaining post-modification cash flows using cohort interest rates.** Take the post-modification cash flows from step 2 and compute the net present value of these cash flows using the applicable cohort interest rate (as opposed to the President's Budget formulation discount rates used in step 2).

- *Step 6.* Compute the difference between step 4 and step 5. This is equal to step 4 minus step 5.

- ***Step 7*. Compute the modification adjustment transfer (MAT).** This is equal to step 6 minus step 3. If the MAT is negative, then the MAT should be transferred from the financing account to the general fund. If the MAT is positive, then the MAT should be transferred from the general fund to the financing account.

If the financing account makes a modification adjustment transfer to the general fund, this transfer is recorded on line 6927 of the program and financing schedule, "Capital transfer to general fund." This corresponds to line 6C on the SF132 apportionment. The transfer and the modification subsidy cost together produce the following transactions with Treasury:

- If a loan guarantee is modified, the financing account's offsetting collection for the modification cost increases the unobligated balance (line 2440 of the program and financing schedule). The capital transfer to the general fund reduces the amount by which the unobligated balance is increased. (The amount of the increase shown on line 2440 is net of the capital transfer.) Subsequent interest earnings on the addition to the balance are lower than they would have been without the capital transfer.

- If a direct loan is modified, the financing account's offsetting collection for the modification cost is used to reduce debt owed to Treasury (line 6947 of the program and financing schedule, "Portion applied to debt reduction"). The capital transfer reduces the amount by which the debt is reduced. (The amount of the increase shown on line 6947 is net of the capital transfer.) Subsequent interest paid to Treasury is higher than it would have been without the capital transfer.

- For modification adjustment transfers to the general fund, the general fund will collect the modification adjustment transfer in a non-budgetary capital transfer receipt account. There will be one receipt account to collect the modification adjustment transfers from all financing accounts.

If the financing account receives a modification adjustment transfer from the general fund, this is recorded in the financing account as a permanent appropriation (line 6000 of the program and financing schedule, "Appropriation"). This corresponds to line 3A1 on the SF132 apportionment. Cite the Federal Credit Reform Act, P.L. 101-508, as the law providing budget authority for the modification adjustment transfer. The transfer and the modification subsidy cost together produce the following transactions with Treasury:

- If a loan guarantee is modified, the financing account's offsetting collection for the modification cost increases the unobligated balance (line 2440 of the program and financing schedule). The modification adjustment transfer also increases the unobligated balance (line 2440). Subsequent interest on uninvested funds is higher than it would have been without the modification adjustment transfer.

- If a direct loan is modified, the offsetting collection for the modification cost is used to reduce debt owed to Treasury (line 6947 of the program and financing schedule, "Portion applied to debt reduction"). The modification adjustment transfer is also used to reduce debt owed to Treasury (line 6047, "Portion applied to debt reduction"). Subsequent interest paid to Treasury is lower than it would have been without the modification adjustment transfer.

(c) Additional financing account transfers for modifications of pre–1992 direct loans and loan guarantees.

When modifications are made to pre–1992 direct loans and loan guarantees, the immediately following approach (#1) should be used, unless the OMB representative for the credit program approves using the alternative approach (described in #2 below).

1) *Transfer of asset or liability to financing account*. Pre–1992 direct loans and loan guarantees are held in liquidating accounts until they are modified. When they are modified, they are “purchased” from the liquidating account by the financing account. The direct loan asset or loan guarantee liability will be transferred from the liquidating account to the financing account, and a one-time adjusting payment will be made between the two accounts. The adjusting payment will equal the estimated net present value of the pre-modification cash flows. At the same time, the cost (or savings) of the modification will flow to or from the financing account. When the transaction is complete, the newly modified loan or guarantee will reside in the financing account. This process is accomplished by the following steps:

- ***Step 1*. Calculate the net present value of remaining pre-modification cash flows**. Calculations should be made using only the baseline estimated net cash flows in the liquidating account from the most recent President’s Budget for the current and future years. Discount these cash flows using the discount rates assumed in formulating the subsidy estimates in the President’s Budget for the year in which the modification takes place. For example, if the modification will occur in 2009, then the discount rates used to discount the cash flows will be those used to formulate the 2009 President’s Budget.

- ***Step 2*. Calculate the net present value of remaining post-modification cash flows**. Use the same cash flows as in step 1 above, modified only to reflect the effect of the modification. Do not alter the cash flows to reflect any other changes that may have occurred between the most recent President’s Budget and the time of the modification. Use the same discount rates as in step 1 above to discount these post-modification cash flows. If a loan asset is sold, in most cases the post-modification cash flows will be the net proceeds expected from the sale (see section 185.8) and no discounting is necessary. Contact your OMB representative with questions on calculations for loan asset sales.

- ***Step 3***. **Compute the adjusting payment.** If the net present value computed in step 1 above is positive (representing future collections to the government), then the adjusting payment for the purchase of the loan or guarantee will flow from the financing account to the liquidating account to compensate the liquidating account for this loss of expected inflow. An obligation and a disbursement will be recorded in the financing account in the amount of the adjusting payment. The liquidating account will record offsetting collections equal to the adjusting payment, which it will use to repay debt owed to Treasury or to transfer to the general fund as a capital transfer.

- If the net present value computed in step 1 above is negative (representing future claims on the government), then the adjusting payment will flow from the liquidating account to the financing account to compensate the financing account for its new burden of expected outflows. Unobligated balances and permanent indefinite appropriations to the liquidating account will be used to make the payment. Outlays will be recorded in the liquidating account in the amount of the payment when it is made. The financing account will record an equal amount of offsetting collections.

- ***Step 4.*** **Compute the cost of modification**. This is equal to step 1 minus step 2. The results of this calculation will be positive, negative or zero. If the cost is positive, this amount should be outlayed from the program account to the financing account. If the cost is negative (a savings), then this amount should be paid from the financing account to the negative receipt account. For information on recording these transactions, see 185.7 (a) (1 and 2).

The adjusting payment computed in step 3 and the modification cost/savings computed in step 4 are moved simultaneously on the same governing apportionment. Either an adjusting payment or a modification savings (or both) may require the financing account to borrow funds from Treasury in order to accomplish the outflowing payment. If this occurs, collections from the assets purchased by the financing account will be used to pay interest and repay debt owed to Treasury.

2) *Assets retained by liquidating account.* Subject to the approval of the OMB representative for the credit program, some loans or guarantees may remain in the liquidating account after modification. This method might be used if a modification affects a large number of direct loans or loan guarantees and it would be less complicated for the liquidating account to retain the assets or liabilities. In these cases, the modification process is accomplished by the following steps:

- ***Step 1***. See step 1 in (c)(1) above.

- ***Step 2***. See step 2 in (c)(1) above.

- ***Step 3.*** **Compute the cost of modification**. This is equal to step 1 minus step 2. The results of this calculation will be positive, negative or zero. If the cost is positive, this amount should be outlayed from the program account to the financing account. The financing account will then obligate and disburse the same amount to the liquidating account to compensate it for the reduced asset or increased liability. The liquidating account will record offsetting collections, which it will use to pay current obligations or to repay debt. If the cost is negative (a savings), the liquidating account will use permanent indefinite authority to make a payment to the financing account equal to the modification savings. The financing account will consequently record offsetting collections, which it will pay to the negative subsidy receipt account for the credit program. Because both modification costs and savings result in equalizing flows among the program, financing, liquidating, and negative subsidy receipt accounts (as applicable), neither a modification cost nor savings directly causes a net change in the surplus or deficit. However, interest, repayments, default claims, and other loan cashflows may change both in that year and in future years.

See section 185.31 for specific guidance on reporting these transactions for budget execution.

(d) *Single cohort for modifications of pre–1992 direct loans or loan guarantees.*

All modifications of pre–1992 direct loans and loan guarantees for a given program will be accounted for in a single direct loan cohort or a single loan guarantee cohort.

185.8 What must I know about the sale of loan assets?

(a) *General.*

Under the Debt Collection Improvement Act of 1996, credit agencies with over $100 million in loan assets are expected to sell delinquent loan assets that meet the criteria described in (b). This applies to loan assets held by both liquidating and financing accounts. The cash flows used to calculate the baseline subsidy rates for existing cohorts should be adjusted to reflect this policy, as should the cash flows used to estimate the subsidy rates for future cohorts. Modifications of this policy that increase the cost will have to be covered by appropriations of subsidy budget authority. Differences between the estimated and actual sale proceeds due to market conditions will be treated as reestimates.

Agencies are also encouraged to explore selling performing loan assets to the extent such sales would benefit the Government. In such cases, the procedures, analysis, and methods for selling performing assets are the same for selling delinquent loan assets.

(b) *Loan asset sale criteria.*

Loan assets that are more than one year delinquent should be sold, except for the following categories of loans:

- Loans to foreign countries or entities.
- Loans in structured forbearance, when conversion to repayment status is expected within 12 months or after statutory requirements are met.
- Loans that are written off as unenforceable due to death, disability, or bankruptcy.
- Loans that have been submitted to Treasury for offset and are expected to be extinguished within three years.
- Loans in adjudication or foreclosure.

Performing loan assets may be sold as well, either alone or in conjunction with delinquent loan assets, to the extent that such sales provide benefits to either the program or the Government as a whole.

Agencies should consult the OMB representative with primary responsibility for the account to determine which loan assets meet these criteria.

(c) *Justification for non-compliance.*

If an agency can demonstrate that the present value of cash flows associated with continued Government ownership of the loan assets would exceed the expected sale proceeds, the agency may not be required to sell the loan assets. Also, if there is a serious conflict between selling loan assets and Administration policy for the program, and the agency can justify to the satisfaction of their OMB representative that the sale policy cannot be reconciled with the program policy, the agency may not be required to sell the loan assets. Agencies should consult with the OMB representative with primary responsibility for the program if they believe either of these tests would be met.

(d) *Cost of loan asset sales.*

If the cash flows for existing loans do not incorporate an explicit assumption about the sale of loan assets, the sale is a modification, whether the loan assets are held by financing accounts or liquidating accounts. Otherwise, the sale is part of the subsidy estimates for Presidential policy and the baseline, and differences between the estimated and actual sale proceeds are a reestimate.

If the sale is a modification, the cost would equal the difference between the net sale proceeds and the estimated value to the Government, on a present value basis, of continuing to own the loan asset (the "hold value"). The method for calculating the hold value is the same as for calculating the net present value of cash flows before modification, as outlined in section 185.7(a).

The modification cost of multiple sales with closing dates in the same fiscal year is the sum of the cost or saving calculated for each sale of loans within the same cohort or risk category. The closing date of a sale is the date on which the seller and the buyer(s) close the transaction and title of the assets legally transfer to the buyer(s). Therefore, for loans within the same cohort or risk category, a modification cost for one sale can be offset by a modification saving for a different sale within the same fiscal year. For sales that include loans from more than one cohort or risk category, a single modification cost or savings is first calculated for all of the loans sold, and the cost or savings is subdivided among each of the cohorts or risk categories.

Loan assets that are sold with recourse are treated as a combination of a sale without recourse and a new loan guarantee. The cost of the provision for recourse is estimated separately from the cost of the loan asset sale, and the subsidy for its cost, as well as the cost of the implicit loan sale without recourse, must be appropriated in advance of the sale. Sales with recourse are not permitted except where they are specifically authorized by statute.

If the Government takes an equity stake (or participation) in the cash flow of the sold assets, such as a joint venture or equity-held sale, the net sale proceeds equal the actual cash proceeds plus an estimate of the present value of the proceeds from the Government's equity position, net of any transaction costs.

You may pay certain direct costs of loan asset sales from the gross proceeds of those sales. In general, the guidelines for whether an expense should be paid from the administrative expense appropriation or from asset sale proceeds are similar to those for determining whether an expense should be paid from the administrative expense appropriation to the program account or from the financing account (see section 185.3(a)). Generally, costs that may be paid from proceeds include:

- Underwriting;
- Rating agency;
- Due diligence;
- Legal; and
- Transaction financial advisory fees.

These costs are part of the cash flows used to calculate net sale proceeds to determine the modification cost of the sale (if the sale constitutes a modification) or to reestimate the subsidy cost on a cohort in which loan assets have been sold (if the sale is not a modification).

The costs of Government personnel, travel, computer systems, etc., associated with the development and execution of a loan asset sales program, as well as the cost of any contracts for asset sale program financial advisory services, should be paid from the agency's administrative expense appropriation. Questions about whether a specific cost should be paid from the administrative expense appropriation or sale proceeds should be directed to OMB.

(e) *OMB review of sales.*

No sale may occur without the approval of the OMB examiner. After identifying loans that meet the criteria described in (b), agencies must develop a plan for selling these loans in consultation with their OMB examiner. In addition, at least 30 calendar days prior to the scheduled final bid day (the last date on which a buyer may submit a bid to the seller), the agency must submit for approval to the OMB representative with primary responsibility for the program the following information:

- The expected date of sale;
- A description of the loans to be sold (including balances, business program under which the loans were originated, and current payment status);
- The estimated hold value, with relevant supporting documents and analysis;
- The estimated net sale proceeds, with relevant supporting documents and analysis;
- The estimated modification cost, whether positive, negative, or zero; and
- An evaluation of relevant previous asset sales, including the hold values, net sale proceeds, and positive/negative subsidy generated from each, if applicable.

Three weeks after the sale, an agency must advise the OMB examiner of the actual amount of the proceeds realized from the sale and the actual amount of the transaction costs that were paid from the proceeds.

185.9 What are the budget formulation reporting requirements for credit accounts?

Each program making or having outstanding post–1991 direct loans or loan guarantees will have at least two and as many as six types of accounts, even if the Administration is proposing to terminate the program or the program has been previously terminated:

- A program account.
- A financing account for direct loan obligations, if any.
- A financing account for loan guarantee commitments, if any.
- A negative subsidy receipt account for negative subsidies, if any.
- A downward reestimate receipt account for downward reestimates, if any.
- A liquidating account for pre–1992 direct loans and loan guarantees, if any.

Generally, the print materials and MAX schedules required for credit program, financing, liquidating, and negative subsidy receipt accounts are listed below. References to applicable A–11 sections are also provided.

SUMMARY OF REQUIREMENTS

Requirement	Program	Financing	Liquidating	Receipt
Appropriations language (section 95)				
Narrative statement (section 95)		✓	✓	
Schedule P (PY-BY) (section 82)	✓	✓	✓	
Schedule O (PY-BY) (section 83)	✓		✓	
Schedule N (PY-BY) (section 86)	✓			
Schedule U (PY-BY) (section 185)	✓			
Schedule A (PY-BY+9) (section 81)	✓		✓	
Schedule S (CY-BY+9) (section 81)	✓		✓	
Schedule C (PY-BY) (section 84)	✓		✓	
Schedule G (PY-BY+4) (section 185)		✓	✓	
Schedule H (PY-BY+4) (section 185)		✓	✓	
Schedule R (PY-BY+9) (section 81)				✓
Schedule K (PY-BY+9) (section 81)				✓
Schedule Y (CY-BY+9) (section 185)		✓	✓	
Schedule F (PY-1-PY) (section 86)		✓	✓	

Separate schedules are required for supplemental requests and proposed legislation items for all credit accounts (see 79.2 and 82.10). These schedules show the effect of the supplemental request or proposed legislation on the information presented in the regular schedules for the program. For post-1991 credit programs, amounts reflected in related credit program accounts, financing accounts, and receipt accounts must agree. Cross-account edit checks and other credit-account edit checks are included in Appendix D.

A written justification is required for all new credit programs or for reauthorizing, expanding, or significantly increasing funding for existing credit programs. The justification must address the Federal credit policies and guidelines contained in OMB Circular No. A–129. For more information on required budget justification materials, see section 51.

185.10 What do I report for program accounts?

Program accounts are required for post–1991 direct loan obligations or loan guarantee commitments and for modifications of pre–1992 direct loans and loan guarantees. They record budget authority, obligations, and outlays for subsidy costs and the administrative expenses of a credit program (including administrative expenses for pre–1992 direct loans and loan guarantees). In most cases, current, definite budget authority is provided in appropriation acts for subsidy payments (except for entitlements, which have permanent indefinite budget authority) and administrative expenses. Permanent indefinite authority is available for reestimates and interest on reestimates.

(a) *Program and financing schedule (schedule P).*

Use the following line number scheme in the "obligations by program activity" section of the program and financing schedule (see exhibit 185A):

SELECTED P&F ENTRIES IN PROGRAM ACCOUNTS

Line number	Description
	OBLIGATIONS BY PROGRAM ACTIVITY:
0001	Direct loan subsidy
0002	Loan guarantee subsidy
0003	Subsidy for modifications of direct loans
0004	Subsidy for modifications of loan guarantees
0005	Reestimates of direct loan subsidy
0006	Interest on reestimates of direct loan subsidy
0007	Reestimates of loan guarantee subsidy
0008	Interest on reestimates of loan guarantee subsidy
0009	Administrative expenses

(b) *Object classification (schedule O).*

Record all direct expenses in the appropriate object class. To record subsidy obligations, use object class 41, “Grants, subsidies, and contributions.” For administrative expenses transferred to a salaries and expenses account, use object class 25.3, "Other purchases of goods and services from Government accounts." In the salaries and expenses account receiving the transfer, record reimbursable obligations for administrative expenses using a "2" as the first digit of the line number. (See section 83 for more information about the classification of reimbursable programs in the object class schedule.)

(c) *Loan levels and subsidy (schedule U).*

Prepare a schedule of loan levels (see exhibit 185B), subsidy budget authority, subsidy rate, subsidy outlays, and reestimates for each program account. These data are displayed by program or by program and risk category. The titles of the stub entries should be tailored to identify the program to which each entry belongs. To add or modify a risk category, please contact your primary OMB representative.

Note that in each column, some entries are reported by cohort while others (reestimates) are reported for combined cohorts. Although no outyear data are collected in schedule U, you may be required to provide outyear data by your OMB representative. Schedule U data is identified by a four-digit line number and a two-digit suffix. The four-digit number identifies data by category (e.g., direct loan subsidy budget authority). The two-digit suffix differentiates between the various risk categories reported in the schedule unless the line is a total line. Subsidy rates and reestimates for direct loan and guaranteed loan programs entered into MAX are controlled by edit-checks based on calculations that have been reviewed and approved by OMB (see sections 185.5 and 185.6). If you have questions about the approved values, please contact your primary OMB representative. MAX will automatically generate the summary data for line entries indicated in **boldface** below.

DATA REQUIREMENTS FOR SCHEDULE U

Entry	Description
Direct loan levels supportable by subsidy budget authority**:**	
1150xx Direct loan levels	Equals the amount of direct loans that can be obligated with the subsidy budget authority available in that year. Include loan volume reestimates, if any, in PY. The loan volume reestimate should match schedule G in the financing account. For PY, enter the actual level of loans obligated, which may include limitation from carry forward or may be less than the full limitation appropriated. For CY and BY, enter the expected level of loans to be obligated, including the unused portion of multi-year loan limitations that are carried forward. In the PY and CY, loan levels may be less than enacted loan limitations, as Congress may enact limitations that are not achievable with the subsidy budget authority provided. However, in the BY, loan levels supportable by the subsidy requested must equal the direct loan limitation. These data are required even if the subsidy rate is zero or negative.
115999 Total direct loan levels	The sum of all lines 1150.
Direct loan subsidy (in percent):	
1320xx Subsidy rate (+ or –)	The 1320 data line series presents data in percentages on the subsidy costs inherent in making a cohort of direct loans. In the PY column, the rate should be the actual execution rate. In the CY column use the budget execution rate. Note that the subsidy rate (in percent) must be rounded to the nearest hundredth of one percent and entered into MAX with decimal points. For example, enter 50.503 as 50.50; 5.05 percent as 5.05; and 0.5 percent as 0.5. Amounts should be shown, even if zero or negative.
132999 Weighted average subsidy rate	The disbursement weighted average sum of all lines 1320 above is automatically calculated by multiplying each subsidy rate detail line (lines 1320) by a weighting factor. The weighting factor is calculated by dividing the corresponding direct loan level (lines 1150) by the total direct loan level (line 1159). A weighted average subsidy rate should not be zero when a positive subsidy program is included in the calculation. For non-zero transmittal codes, this is the change to the subsidy rates reported under transmittal code zero, not the new rates.
Direct loan subsidy budget authority:	
1330xx Subsidy budget authority (+ or –)	The 1330 data line series presents data in dollars on the subsidy costs inherent in making direct loans. In the PY column, the amount is equal to subsidy obligated. In the CY column, the amount will equal the amount appropriated for subsidies plus unobligated balances eligible to be carried forward. The BY column will show the requested subsidy amount and must agree with amounts in appropriations language. Report even if the subsidy is negative.
133999 Total subsidy budget authority	The sum of all lines 1330 above.
Direct loan subsidy outlays:	
1340xx Net subsidy outlays	The 1340 data line series presents data on the amount of subsidy disbursed in a given year for new direct loans. An outlay is recorded in the program account at the time of disbursement of the

Entry	Description
	loan to the borrower. Report outlays from both new budget authority and from balances on this line. This line shows the sum of lines 1341xx and 1342xx.
1341xx Negative subsidy outlays	Report negative subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 1340.
1342xx Positive subsidy outlays	Report positive subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 1340.
134999 Total subsidy outlays	The sum of all lines 1340 above.
Direct loan upward reestimate:	
1350xx Upward reestimate	The 1350 data line series presents data on the amount of upward reestimate paid to the financing account in any given year. Report upward reestimates for all outstanding fiscal year cohorts for which upward reestimates are paid to the financing account. Report amounts in PY and CY only.
135999 Total upward reestimate	The sum of all lines 1350 above.
Direct loan downward reestimate:	
1370xx Downward reestimate (–)	The 1370 data line series presents data on the amount of downward reestimate paid out of the financing account in any given year. Report downward reestimates for all outstanding fiscal year cohorts for which downward reestimates will be paid out of the financing account. Report amounts in PY and CY only.
137999 Total downward reestimate	The sum of all lines 1370 above.
Guaranteed loan levels supportable by subsidy budget authority:	
2150xx Loan guarantee levels	Equals the full principal amount, not just the portion guaranteed by the Government, of guaranteed loans that can be supported by the amount of new subsidy budget authority requested or available in that year. Include loan volume reestimates, if any, in PY. The loan volume reestimate should match schedule H in the financing account. For PY and CY, the level of guaranteed loan commitments may include limitation from carryforward or may be less than the full limitation appropriated. In the PY and CY, loan levels may be less than enacted loan guarantee limitations, as Congress may enact limitations that are not achievable with the subsidy budget authority provided. However, in the BY, loan levels supportable by the subsidy must equal the guaranteed loan limitation. These data are required even if the subsidy rate is zero or negative.
215999 Total loan guarantee levels	The sum of all lines 2150.
Guaranteed loan subsidy (in percent):	
2320xx Subsidy rate (+ or –)	The 2320 data line series presents data on the subsidy costs inherent in making a cohort of loan guarantees. In the PY, the rate should be the actual execution rate. In the CY column use the budget execution rate. Note that the subsidy rate (in percent) must be rounded to the nearest hundredth of one percent and entered into MAX with decimal points. For example, 50.503 percent will be entered as 50.50; 5.05 percent as 5.05; and 0.5 percent as 0.5.

Entry	Description
	Amounts should be shown, even if zero or negative.
232999 Weighted average subsidy rate	The disbursement weighted average of all lines 2320 above is automatically calculated by multiplying each subsidy rate detail line (lines 2320) by a weighting factor. The weighting factor is calculated by dividing the corresponding guaranteed loan level (lines 2150) by the total guaranteed loan level (line 2159). For non-zero transmittal codes, this is the change to the subsidy rates reported under transmittal code zero, not the new rates.
Guaranteed loan subsidy budget authority:	
2330xx Subsidy budget authority (+ or –)	The 2330 data line series presents data in dollars on the subsidy costs inherent in making a cohort of guaranteed loans. It does not include unobligated balances eligible to be carried forward for BY and CY. For PY only, budget authority should reflect both new and carry forward used. In the CY column, the amount will equal the amount appropriated for subsidies plus unobligated balances eligible to be carried forward. The BY column will show the requested subsidy amount and must agree with amounts in appropriations language. Report even if the subsidy is zero or negative.
233999 Total subsidy budget authority	The sum of all lines 2330 above.
Guaranteed loan subsidy outlays:	
2340xx Net subsidy outlays (+ or –)	The 2340 data line series presents data on the amount of subsidy disbursed in a given year for new loan guarantees. An outlay is recorded in the program account at the time the lender disburses the loan to the borrower. Report outlays from both new budget authority and from balances on this line. Report even if the subsidy is negative.
2341xx Negative subsidy outlays	Report negative subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 2340.
2342xx Positive subsidy outlays	Report positive subsidy outlays from both new budget authority and from balances on this line. Data on this line is used to calculate net subsidy outlays in line 2340.
234999 Total subsidy outlays	The sum of all lines 2340 above.
Guaranteed loan upward reestimate:	
2350xx Upward reestimate	The 2350 data line series presents data on the amount of upward reestimate paid to the financing account in any given year. Report upward reestimates for all outstanding fiscal year cohorts for which upward reestimates are paid to the financing account. Report amounts in PY and CY only.
235999 Total upward reestimate	The sum of all lines 2350 above.
Guaranteed loan downward reestimate:	
2370xx Downward reestimate (–)	The 2370 data line series presents data on the amount of downward reestimate paid out of the financing account in any given year. Report downward reestimates for all outstanding fiscal year cohorts for which downward reestimates will be paid out of the financing account. Report amounts in PY and CY only.

Entry	Description
237999 Total downward reestimate	The sum of all lines 2370 above.
Administrative expense data:	Report lines 3510–3590 for all program accounts.
351001 Budget authority	Budget authority provided or requested for administrative expenses for both direct and guaranteed loan programs.
358001 Outlays from balances	Outlays for administrative expenses from prior year obligated balances.
359001 Outlays from new authority	Outlays for administrative expenses from new budget authority.

185.11 What do I report for financing accounts?

Financing accounts record the cash flows associated with post–1991 direct loan obligations or loan guarantee commitments and for modifications of all direct loans and loan guarantees. These cash flows include loan disbursements, payments for guarantee claims, principal repayments, interest received from borrowers, interest paid on borrowing, interest earned on uninvested funds, interest supplements, fees and premiums received, and recoveries on defaults. Separate financing accounts are used for direct loan obligations and loan guarantee commitments. As for all other accounts, changes due to legislative proposals should be reflected in the appropriate transmittal code (see 79.2, 82.10).

(a) *Program and financing schedules (schedule P)*

Use the following line number scheme in the "obligations by program activity" section of the program and financing schedule for financing accounts (see exhibits 185C and 185F):

SELECTED P&F ENTRIES IN FINANCING ACCOUNTS

Entry	Description
Obligations by program activity:	
Stub entries should describe the transactions reported below.	
0001 Direct loan obligations -- or --	Obligations for post–1991 direct loan disbursements (equal to face value). Equal to the total direct loan obligations on line 1159 in schedule U of the program account.
0001 Default claim payments	Obligations for default claim payments on post–1991 loan guarantees. Equal to the sum of terminations for default in schedule H, lines 2261-2263.
0002 Payment of interest to Treasury	Interest on debt owed to Treasury (calculated at the same rate as the discount rate for the cohort). Tools are available from OMB to calculate interest income and interest expense.
0003–0009	Other entries for obligations, such as interest supplements to lenders or other expenses.
0801 Negative subsidy obligations	Obligations for negative subsidies to be paid to the negative subsidy receipt account for the credit program. Equal to the sum of negative subsidy obligations on lines 1330 or 2330 in schedule U of the program account.
0802 Downward reestimates paid to receipt accounts	Obligations for downward reestimates of the subsidy to be paid to the negative subsidy receipt account for the credit program.

Entry	Description
0803 Adjusting payments to liquidating accounts	Obligations for payments to purchase liquidating account loan assets or to reimburse the liquidating account for modification cost increases for pre–1992 direct loans and loan guarantees.
0804 Interest on downward reestimates	Obligations for interest on the downward reestimate to be paid to the negative subsidy receipt account for the credit program.
New financing authority (gross), detail:	
6000 Appropriation	Amount of authority becoming available as a result of a modification adjustment transfer from the general fund in the event that the modification cost estimate under-compensated the financing account.
6710 Authority to borrow	Financing authority (authority to borrow from Treasury) for the part of direct loans not financed by subsidy and fees, and for any default claims that cannot be paid by unobligated balances.
6900 Offsetting collections (cash)	Amount of offsetting collections (cash) credited to the account and refunds that pertain to obligations recorded in prior years.
6910 Change in uncollected customer payments from program account	Change in unpaid, unfilled orders from program account for subsidy cost. Report increases as positive entries (for expected future subsidy cost collections in future fiscal years); report decreases as negative entries (for received subsidy cost collections in prior fiscal years).
6927 Capital transfer to general fund (–)	Used for modification adjustment transfer to the general fund in the event that the modification cost estimate over compensated the financing account. See 185.7(b).
6947 Portion applied to repay debt (–)	Amount of offsetting collections used for repayments of outstanding borrowing.
Change in obligated balance:	
7240 Obligated balance, start of year	Includes unpaid obligations that represent undisbursed direct loan obligations.
7440 Obligated balance, end of year	Includes unpaid obligations that represent undisbursed direct loan obligations.
Offsets:	
8800 Federal sources	Collections of subsidy payments and upward reestimates from program accounts, and adjusting payments from liquidating accounts for pre–1992 direct loans and loan guarantees.
8825 Interest on uninvested funds	Collections of interest on uninvested funds. Tools are available from OMB to calculate interest earned.
8840 Non-Federal sources	Collections of principal repayments and interest payments on direct loans by borrowers, collections on defaulted direct loans or guaranteed loans, fees or premiums paid by non-Federal lenders or borrowers, prepayments of direct loans, and proceeds from the sale of direct loans or collateral.

Note: MAX automatically modifies financing account line stubs from budget authority and outlays to financing authority and financing disbursements, respectively. Financing accounts do not use lines 8690 through 8698. For example, Schedule P line 8896, Portion of cash collections credited to expired accounts, is not valid in financing accounts. All cash collections are used to repay Treasury debt, pay obligations of the financing account, or execute downward reestimates.

Do not use lines 5800–5899. Financing authority from offsetting collections in financing accounts must be recorded as mandatory, regardless of whether the authority for subsidy in the program account is mandatory or discretionary.

(b) *Direct loan data (schedule G)*.

Prepare a Status of direct loans schedule (Schedule G) (PY-BY+4) for all liquidating accounts and all direct loan financing accounts (see exhibits 185D and 185J). Each line entry is described in the table below. MAX will automatically generate the line entries indicated in **boldface**.

DATA REQUIREMENTS FOR SCHEDULE G

Entry	Description
Position with respect to appropriations act limitation on obligations:	Provide lines 1111–1150 for direct loan financing accounts only.
1111 Limitation on direct loans	Amount of limitation enacted or proposed to be enacted in appropriations acts. For discretionary programs, the BY amount should be consistent with line 1159 in schedule U.
1121 Limitation available from carry-forward	Amount of limitation available from a multi-year limitation enacted in a previous year that was not obligated and is available for use. This amount should correspond to the previous year's amount of unobligated limitation carried forward (line 1143). For programs that do not have a fixed loan limitation, this amount should be equal to the direct loan level supportable with the budget authority that is carried forward.
1131 Direct loan obligations exempt from limitation	Amount of obligations for direct loans to the public not subject to a specific limitation in appropriations acts. Use this line for mandatory programs or for discretionary programs without a maximum loan volume specified in appropriations acts.
1142 Unobligated direct loan limitation (–)	Amount of limitation enacted in appropriations acts that is not obligated in the year it is enacted. Include only amounts that expire. Do not include multi-year limitation amounts that can be carried forward in a future fiscal year (see line 1143). Report amounts in PY and CY only unless specifically approved by OMB.
1143 Unobligated limitation carried forward (P.L. xx) (–)	Amount of multi-year limitation enacted in an appropriations act that was not obligated and is carried forward for use in a subsequent year.
1150 Total direct loan levels	The sum of lines 1111 through 1143. This is the direct loan portion of the credit budget. This amount should be consistent with direct loan obligations recorded on line 0001 in the program and financing schedule of the financing account and line 1159 in schedule U of the program account.
Cumulative balance of direct loans outstanding:	Provide lines 1210–1290 for liquidating and direct loan financing accounts. Do not report amounts reflecting defaulted guaranteed loans. Defaulted guaranteed loans are presented in Schedule H 2310-2390.
1210 Outstanding, start of year	Amount of direct loan principal outstanding at the beginning of the year. Amounts for PY are automatically generated from data reported in the previous year's *Budget Appendix*. If the number needs to be revised, use line 1264 "other adjustment" with explanatory comment.

Entry	Description
Disbursements:	
1231 Direct loan disbursements	Amounts of disbursements of principal for direct loans and 100 percent guarantees financed by the Federal Financing Bank. This does not include amounts shown separately on line 1232.
1232 Purchase of loan assets from the public	Amount of loans purchased or repurchased by the account from non-Federal lenders.
1233 Purchase of loan assets from a liquidating account	Amount of direct loan assets transferred from liquidating account to a financing account as a result of a loan modification.
Repayments:	These entries must agree with amounts included for these transactions on line 8840 (offsetting collections from non-Federal sources) of the program and financing schedule for the account. The proceeds from discounted prepayment programs that were part of a loan asset sales program should be recorded together with the proceeds from loan asset sales to the public (line 1253). The discount (i.e., the difference between the face value of the loan and the proceeds received from discounted prepayments) should be recorded together with the discount on loan asset sales to the public (line 1262).
1251 Repayments and prepayments (–)	Amount of principal repayments or prepayments. In the liquidating account, this entry will include repayments on loans disbursed by the FFB.
1252 Proceeds from loan asset sales to the public or discounted prepayments without recourse (–)	Amount of gross proceeds received from the non-recourse sale of loans to non-Federal buyers or the discounted loan prepayments that were part of a loan asset sales program.
1253 Proceeds from loan asset sales to the public with recourse (–)	Amount of gross proceeds received from the sale of loans to non-Federal buyers when loans are sold with recourse to the Federal Government. The full principal of the loans is scored as a new guaranteed loan commitment (line 2132).
Adjustments:	
1261 Capitalized interest	Amount of interest due at the end of the year that is capitalized as part of the existing loan principal.
1262 Discount on loan asset sales to the public or discounted prepayments (–)	Difference between the face value of the loan and the proceeds received by the account from the sales of loans to non-Federal buyers or discounted loan prepayments that were part of a loan asset sales program.
1263 Write-offs for default: Direct loans (–)	Amount of direct loan principal reduced by write-offs for defaults. This line should only be used to indicate write-offs of loans that were initiated as direct loans. (Refer to the processes for write-offs in OMB Circular No. A–129.)
1264 Other adjustments, net (+ or –)	Proceeds from the sale of collateral acquired from the foreclosure of direct loans; amount of principal repayments waived as provided by statute, in the event of certain specified contingencies; outstanding balances of loans transferred to or received from other accounts amount of principal reduced or increased for other reasons. When this line is used, the adjustment must be explained in a comment.
1290 Outstanding, end of year	Amount of direct loan principal outstanding at the end of the year. The sum of lines 1210 through 1264.

(c) *Guaranteed loan data (schedule H)*.

Prepare a Status of Guaranteed Loans (schedule H) (PY-BY+4) for all liquidating and guaranteed loan financing accounts (see exhibits 185G and 185K). Report the full principal amounts of loans guaranteed, whether guaranteed in full or in part. Report principal only, even if the guarantee covers both the principal and interest. Do not count agency guarantees of loans disbursed by the FFB as guaranteed loans; treat such loans as direct loans of your agency financed by the FFB.

Each line entry is described in the table below. MAX will automatically generate the line entries indicated in **boldface**.

DATA REQUIREMENTS FOR SCHEDULE H

Entry	Description
Position with respect to appropriations act limitation on commitments:	Provide lines 2111–2199 for guaranteed loan financing accounts only.
2111 Limitation on guaranteed loans made by private lenders	Amount of limitation enacted or proposed to be enacted in appropriations acts on full principal of commitments to guarantee loans by private lenders. For discretionary programs, the BY amount is equal to line 2159 in schedule U. So long as any entry appears on lines 2111 through 2132, this line should remain in MAX and will be listed in the stub column even if no amounts are shown.
2121 Limitation available from carry-forward	Amount of limitation on full principal of commitments to guarantee loans by private lenders that is available from a multi-year limitation enacted in a previous year that was not obligated and is available for use. This amount should correspond to the previous year's amount of unobligated limitation carried forward (line 2143). For programs that do not have a fixed loan limitation, this amount should be equal to the guaranteed loan level supportable with the budget authority that is carried forward.
2131 Guaranteed loan commitments exempt from limitation	Amount of full principal of commitments to guarantee loans by private lenders that is not subject to limitation. Use this line for mandatory programs and discretionary programs that do not have a loan limitation.
2132 Guaranteed loan commitments for loan asset sales to the public with recourse	Amount of full principal of guaranteed loan commitments made as a result of selling direct loans to non-Federal buyers with recourse to the Federal Government.
2142 Uncommitted loan guarantee limitation (–)	Amount of limitation enacted in appropriations acts on full principal of commitments to guarantee loans by private lenders that is not committed in the year it is enacted. Includes only amounts that expire. Do not include multi-year limitation amounts that can be carried forward in a future fiscal year (see line 2143). Report amounts for PY and CY only.
2143 Uncommitted limitation carried forward (P.L. xx) (–)	Amount of multi-year limitation enacted in an appropriations act that was not committed and is carried forward for use in a subsequent year.
2150 Total guaranteed loan levels	The sum of lines 2111 through 2143. This is the guaranteed loan portion of the credit budget. This amount should be consistent with line 2159 of schedule U in the program account.
Memorandum: 2199 Guaranteed amount of guaranteed loan commitments	Amount of maximum potential Federal liability for the guaranteed loan principal associated with line 2150. To the extent the guarantee covers both principal and interest, this amount must exclude interest. This entry is required even though the amount may be the same as in line 2150.

Entry	Description
Cumulative balance of guaranteed loans outstanding:	Provide lines 2210–2390 for liquidating and guaranteed loan financing accounts.
2210 Outstanding, start of year	Full face value of guaranteed loan principal outstanding at the beginning of the year. This includes the unguaranteed portion of the loan principal outstanding. Amounts for PY are automatically generated from data reported in the previous year's *Budget Appendix*. If the PY amount needs to be revised, use line 2264 and include an explanatory comment.
Disbursements:	
2231 Disbursements of new guaranteed loans	Amount of guaranteed loan principal disbursed. This includes the unguaranteed portion of the loan principal disbursed.
2232 Guarantees of loans sold to the public with recourse	Face value amount of guaranteed loan principal of loans sold to non-Federal buyers with recourse to the Federal government. This includes the unguaranteed portion of the loan principal disbursed.
Repayments:	
2251 Repayments and prepayments (–)	Amount of principal repayments and prepayments.
Adjustments:	
2261 Terminations for default that result in loans receivable (–)	Amount of loan principal reduced by terminations for default that subsequently become a loans receivable in which the formerly guaranteed borrower owes the agency for the amount of claims paid as a result of the borrower's default. (See lines 2310–2390.)
2262 Terminations for default that result in acquisition of property (–)	Amount of loan principal reduced by terminations for default that lead to the acquisition of physical property by the agency.
2263 Terminations for default that result in claim payments (–)	Amount of loan principal reduced by terminations for default that lead to claim payments by the agency that result in neither a loan receivable nor the acquisition of property.
2264 Other adjustments, net (+ or –)	Amount of loan principal reduced or increased for reasons other than those covered by the lines listed above; outstanding principal balances of guaranteed loans transferred to or received from other accounts. When this line is used, the adjustment must be explained in a comment.
2290 Outstanding, end of year	Amount of guaranteed loan principal outstanding at the end of the year. The sum of lines 2210 through 2264.
Memorandum: 2299 Guaranteed amount of guaranteed loans outstanding, end of year	Amount of maximum potential Federal liability for the guaranteed loan principal associated with line 2290. To the extent the guarantee covers both principal and interest, this amount must exclude interest. This entry is required even though the amount may be the same as in line 2290.

Entry	Description
Addendum: Cumulative balance of defaulted guaranteed loans that results in loans receivable:	
2310 Outstanding, start of year	Amount of defaulted guaranteed loans that resulted in the acquisition of a loan receivable outstanding at the beginning of the year.

Entry	Description
2331 Disbursements for guaranteed loan claims	Amount of disbursements for acquisition of defaulted loans that were previously guaranteed and result in loans receivable, where the borrower owes the account for the disbursement. These disbursements include past due interest amounts that were paid under the terms of the loan guarantee, if such amounts were capitalized as part of the loan principal.
2351 Repayments of loans receivable (–)	Proceeds received by the account from the settlement of claims on defaulted guaranteed loans that resulted in loans receivable to be applied to the reduction of the loans receivable outstanding. Exclude any premium realized.
2361 Write-offs of loans receivable (–)	Amount of loans receivable written-off for default that were initiated as guaranteed loans but were subsequently acquired as loans receivable. (Refer to the definitions for write-offs provided in OMB Circular No. A–129.)
2364 Other adjustments, net (+ or –)	Amount of loans receivable reduced or increased for reasons other than those covered by the lines listed above. When this line is used, the adjustment must be explained in a comment.
2390 Outstanding, end of year	Amount of defaulted guaranteed loans that resulted in loans receivable outstanding at the end of the year. The sum of lines 2310 through 2364.

(d) *Agency debt held by the FFB and net financing disbursements (schedules Y, G, and H).*

Baseline data on ***debt owed to the FFB*** must be reported by all financing and liquidating accounts and by programs that are not covered by the FCRA, such as the Tennessee Valley Authority and Federal Deposit Insurance Corporation (which assumed the responsibilities of the Resolution Trust Corporation). All FFB transactions are treated as means of financing to the agencies. In order to track old and new transactions, the lines should be coded with a two-digit suffix as follows, to identify the transactions:

- .01 FFB loan originations.
- .02 Sale of loan assets to the FFB.
- .03 Sale of debt securities to the FFB.

Report this data on the 3300 data line series in schedule Y (PY through BY+4). No policy estimates are required.

Baseline and policy data on ***net financing disbursements*** must be reported for all financing accounts. "Net financing disbursements" are analogous to "net outlays" reported on line 9000 in schedule P of the program account and consist of total financing disbursements (gross) less total offsetting collections in the financing account. Net financing disbursements are calculated by subtracting total cash inflows to the financing account from total cash outflows from the financing account. Cash inflows include subsidy and reestimate collections from the program account, borrower principal and interest payments, recoveries, fees, interest received from Treasury, and other inflows. Cash outflows include loan disbursements, default claim payments, negative subsidy and downward reestimate payments to the receipt account, interest paid to Treasury, and other outflows. In PY through BY, these amounts should equal the amount reported on line 9000 in schedule P of the financing account. These data are needed to estimate Federal borrowing and interest on the public debt.

Report this data in schedule Y for both baseline and policy estimates.

DATA REQUIREMENTS FOR SCHEDULE Y

Entry	Description
Agency debt held by the FFB	Provide lines 3310–3390 for liquidating and direct and guaranteed loan financing accounts.
3310 Outstanding agency debt, start of year	Amount of agency debt issues held by FFB at the beginning of the year.
3330 New agency borrowing	Amount of new borrowing from FFB.
3350 Repayments and prepayments (–)	Amount of repayments made to FFB.
3390 Outstanding agency debt, end of year	Amount of agency debt issued held by FFB at the end of the year. The sum of lines 3310 through 3350.
Net financing disbursements:	Provide lines 6200 and 6300 for direct and guaranteed loan financing accounts only. Report PY-BY+9.
6200 Net financing disbursement—policy	Net financing disbursements based on presidential policy. Policy net financing disbursements should equal line 9000 in schedule P of the financing account. See section 185.11(d).
6300 Net financing disbursements—baseline	Net financing disbursements based on current law. Enter data for CY-BY+9. Should equal line 6200 above unless there is a policy proposal that would affect the numbers in Y.

Note: Lines 3310–3390 do not print in the Appendix but are used by OMB for reporting and analytical purposes.

185.12 What do I report for liquidating accounts?

Reporting requirements for liquidating accounts are discussed in sections 185.9, 185.11(b), 185.11(c), and 185.11(d). Illustrations of typical liquidating account status of direct and guaranteed loans schedules can be found at exhibits 185J and 185K. An illustration of a typical liquidating account program and financing schedule can be found at exhibit 185I.

185.13 What do I report for receipt accounts?

Negative subsidy and downward reestimate receipt accounts record receipts of amounts paid from the financing account when there is a negative subsidy or downward reestimate. Usually, they are general fund receipt accounts, but with the permission of the OMB representative for the account, they can be special fund receipt accounts. If the program is discretionary, report negative subsidies as "discretionary." If the program is mandatory, report negative subsidies as "mandatory." Report downward reestimates for all credit programs as "mandatory, authorizing committee" in schedules R and K (see section 81.3).

185.14 Must credit accounts be apportioned?

Yes. The Antideficiency Act requires that all appropriation and fund accounts, including credit program accounts, financing accounts, and liquidating accounts, be apportioned unless exempted by OMB or a specific statute. OMB may grant exemptions from apportionment in the form of a letter to the head of the department or establishment.

185.15 When do I submit an apportionment request (SF 132)?

If budgetary resources...	For example ...	Then ...
Result from current action by Congress	The annual appropriation in the program account for the: • direct loan subsidy cost, • loan guarantee subsidy cost, • administrative expenses, or • modifications.	Submit the initial apportionment request by August 21 or within 10 calendar days after the approval of the act providing the new budgetary resource, whichever is later. Submit reapportionment requests whenever circumstances change. For example, if the subsidy cost appropriation was apportioned solely to make new loans, then you must submit a reapportionment request for both the program and financing accounts before you make a modification that will increase the cost.
Do not result from current action by Congress	The unobligated balances in the financing accounts. Permanent indefinite appropriation in the program account to cover an upward reestimate.	Submit the initial apportionment request by August 21 before the beginning of the fiscal year. Submit the request for anticipated reestimates with the initial apportionment. When the exact amount is calculated, submit a reapportionment to cover any increase over your initial approved amount.
	Permanent indefinite appropriation in the liquidating account.	Submit the initial apportionment request by August 21 before the beginning of the fiscal year. Submit reapportionments as needed.

185.16 How do I fill out the SF 132?

Sections 120 and 121 of this circular provide general apportionment guidance, including terminology, line descriptions, timing, and apportionment categories. As with other programs, you will need to locate and review the enacted appropriations language for your credit program. In some cases, you may also need to locate and review other authority in authorizing or substantive acts. An example of standard appropriations language for credit programs is provided in section 95.7, and illustrated in Exhibit 185M. Standard appropriations language for credit programs consists of the following parts:

- Appropriation for the subsidy cost of the direct loan or guarantee program;
- Limitation on the loan program; and
- Appropriation for administrative expenses.

You need the appropriations language to verify that:

- Subsidy cost amounts and administrative expenses are shown correctly on your program account SF 132 (Exhibit 185N);

- Amounts apportioned to reimburse your salaries and expenses account, if any, are correct; and

- Program level portion for the guaranteed loan financing account SF 132 (Exhibit 185P) agrees with the limitation set in the appropriations language. (For mandatory programs, this amount will equal the amount of loan guarantees anticipated to be committed.)

Exhibit 185Q provides side-by-side, line-by-line instructions for completing the SF 132 for the program account, direct loan financing account, and guaranteed loan financing account. Exhibits 185M through 185BB are a simplified presentation highlighting the budget execution dynamics for interrelated credit accounts. The scenario begins with the program account receiving an appropriation for both direct loans and loan guarantees and concludes with preparing the last quarterly budget execution report for each account. Exhibits for modifications and reestimates are also provided. For this example, assume that this is a new credit program; 25 percent of the amounts appropriated for subsidy cost are obligated each quarter but only 80 percent is disbursed each quarter (with the remainder in the next quarter); 25 percent of the amount appropriated for administrative expenses is obligated and outlayed each quarter; no borrower fees are charged; and simplified interest and repayments calculations are used.

185.17 Do amounts for an upward reestimate (and the interest on the reestimate) need to be apportioned?

Yes. An upward reestimate indicates that insufficient funds were paid to the financing account. The reestimate amount (plus interest on the reestimates) must be obligated and outlayed from the program account to the financing account to make sure it has sufficient assets to cover its liabilities. Before recording this obligation, ensure you have adequate resources apportioned. Section 504(f) of the FCRA provides permanent indefinite budget authority for this purpose. If you were unable to include the reestimate in your program account's initial apportionment or you requested too little, submit a reapportionment request for the additional permanent indefinite appropriation the program account needs to pay to the financing account. See Exhibit 185S for a sample reapportionment for an upward reestimate of a program account.

You must make a reestimate immediately after the end of each fiscal year as long as any loans are outstanding, unless a different plan is approved by OMB. After you complete your reestimate, prepare and submit an SF 132 as needed.

185.18 Do amounts for a downward reestimate (and the interest on the reestimate) need to be apportioned?

Yes. A downward reestimate indicates that the subsidy cost payment to the financing account by the program account was too large so that its assets exceed its liabilities. The reestimate amount (plus interest on the reestimate) must be obligated and disbursed from the financing account. Before recording the obligation, ensure you have adequate resources apportioned. For direct loans only, if the downward reestimate is due to increased actual collections, use these amounts to cover the obligation. To the extent the reestimate is due to projected increased collections, request borrowing authority to cover the obligation. For loan guarantees only, to the extent the reestimate is due to lower default payments than initially estimated, either actual or projected, use your uninvested balance with Treasury to cover the obligation.

For both discretionary and mandatory programs, disburse the excess (plus interest on reestimates) to a downward reestimate receipt account (Exhibit 185T).

185.19 Do amounts for interest payments to Treasury need to be apportioned?

Yes. For financing accounts, additional amounts (i.e., amounts exceeding your estimate on the most recent approved apportionment) are automatically apportioned. For liquidating accounts, you will need to submit a reapportionment for any additional amounts.

185.20 Do amounts for debt repayments to Treasury need to be apportioned?

No. Capital transfers and redemption of debt are not obligations and therefore do not need to be apportioned on line 8. However, you do need to plan for repayments and show your estimated debt repayments as a negative amount on line 6C or 6F (if anticipated) when you submit your SF 132.

185.21 How do I handle modifications?

Before you modify a direct loan or loan guarantee, you should take the following steps:

- Step 1. Estimate the cost of the modification (see section 185.7);
- Step 2. Request an apportionment, if necessary;
- Step 3. Receive an approved apportionment from OMB, if necessary;
- Step 4. Modify the direct loan or loan guarantee; and
- Step 5. Record the obligation (see sections 185.30 and 185.31).

To determine whether you need a reapportionment:

If ...	Then ...
The current apportionment allows the apportioned resources to be used for modifications and the cost of the modification is equal to or lower than the amount apportioned less any amounts already obligated.	No reapportionment is required.
The current apportionment does not allow the apportioned resources to be used for modifications.	Yes. See Exhibit 185R for a sample reapportionment for a modification.
If the cost of the modification is higher than the amount apportioned less amounts already obligated.	Yes. See Exhibit 185R for a sample reapportionment for a modification.

185.22 Am I required to submit budget execution reports (SF 133)?

Yes. Submit SF 133s on a quarterly basis for all accounts, including those that OMB has exempted from apportionment. The OMB program examiner with primary budget responsibility for the credit account may require budget execution reports more frequently, such as monthly. For credit financing accounts, submit the final SF 133 on a cohort basis unless OMB has approved reporting on a combined basis.

185.23 How do I fill out the SF 133?

Section 130 and Appendix A of this circular provide general budget execution reporting guidance, including terminology, line descriptions, and timing. You prepare the SF 133 to show the extent that resources controlled by the SF 132 and other resources have been consumed. The relationship between program and financing accounts is dynamic, affecting different entries of the SF 132 and SF 133 at different stages of the process as transactions occur throughout the year. These complex relationships are illustrated in Exhibit 185X which provides side-by-side, line-by-line instructions for completing the first quarter SF 133 for the hypothetical credit program. Exhibits 185U through 185W illustrate the individual SF 133s for the program, direct loan financing, and guaranteed loan financing accounts, respectively, for the first quarter. Exhibit 185BB continues the presentation of Exhibit 185X by describing the entries for the SF 133 for the fourth quarter. Exhibits 185Y through 185AA illustrate the individual SF 133s for the program, direct loan financing, and guaranteed loan financing accounts, respectively, for the fourth quarter.

Because program accounts typically receive one-year budget authority, the SF 133 will have an unexpired account column as well as five expired account columns. Financing and liquidating accounts, however, have no-year authority so their SF 133s will have only an unexpired column (see section 20.4(c) for a discussion of period of availability).

185.24 How do I calculate the initial subsidy cost estimate for execution?

You are required to use the OMB Credit Subsidy Calculator 2 to calculate subsidy cost estimates. The Credit Subsidy Calculator 2 and accompanying documentation are available from the OMB representative with primary responsibility for the credit account.

In most cases, you will use the same subsidy rate for execution as you calculated earlier for the Presidential policy rate. However, if the loan contract terms have changed for any reason, then you must update the subsidy rate to reflect the actual terms at the time the loan contract is signed. For programs that calculate separate subsidy rates for each loan or loan guarantee, if the borrower's interest rate is benchmarked to a Treasury interest rate, then the borrower interest rate assumption should be consistent with the economic assumptions for that cohort. The default expectation associated with the risk rating is a forecast assumption and should match the President's Budget. Please see your OMB contact for more information.

Do not change the forecast technical assumptions or the methodological assumptions.

For mandatory programs only, also update the economic assumptions to reflect those in the Mid-Session Review if it has been released by the time you are making the calculations.

185.25 What transactions do I report when the Government incurs direct loan obligations or makes loan guarantee commitments?

For the program account (Exhibit 185U):

- Include the estimated subsidy cost obligations on lines 2000-2013, Obligations incurred. If resources for the subsidy cost were apportioned in Category A, include the amount on line 2000. If the resources were apportioned in Category B, include the amount on lines 2011-2013 in the appropriate category; and

- Include the amount on lines 3030, Obligations incurred (gross): Unexpired accounts and 3090, Unpaid obligations, end of year (gross), since the amount is not yet outlayed to the financing account.

For the direct loan financing account (Exhibit 185V):

- Include the subsidy cost payment obligated in the program account but not yet paid on line 1801, Change in uncollected customer payments from Federal sources (mand.) (+or -) ; and

- Include the amount on lines 3050, Change in uncollected customer payments from Federal sources: Unexpired accounts (+ or -) and 3091, Uncollected customer payments from Federal sources, end of year (-), since the amounts have not been received from the program account.

- To show the borrowing component:

- Before signing the contract, verify that OMB has apportioned enough borrowing authority on line 1400 to cover the part of the direct loan obligation not covered by the subsidy cost payment and upfront fees;

- After you sign the contract, include the obligation on line 2000-2011, Obligations incurred. If the direct loan was apportioned in Category A, include the amount on line 2000. If the direct loan was apportioned in Category B, include it on lines 2011 in the appropriate category; and

- Include the amount on lines 3030 Obligations incurred (gross): Unexpired accounts and 3090, Unpaid obligations, end of year (gross).

For the loan guarantee financing account (Exhibit 185W):

- Include the subsidy payment obligated in the program account but not yet paid on line 1801, Change in uncollected customer payments from Federal sources (mand.) (+ or -); and

- Include the amount on line 2202, Unapportioned, Other, when the amounts are not apportioned and held as a reserve for future defaults. When the amounts are apportioned, include the amounts on line 2180, Apportioned, Available in the current period.

The transactions are similar for a negative subsidy program except that the financing account will make a transaction with the negative subsidy receipt account rather than the program account (see 185.3(u)).

185.26 What transactions do I report when the Government disburses a direct loan or a private lender disburses a guaranteed loan?

For the program account (Exhibit 185U), just before a loan is disbursed from the financing account:

- Pay the financing account and include the subsidy cost payment on lines 3040, Outlays (gross) (-) and 4010, Outlays from new discretionary authority; and

- Reduce line 3090, Unpaid obligations, end of year (gross) by the same amount.

For the financing account:

- When the subsidy cost payment is received from the program account, reduce lines 1801, Change in uncollected customer payments from Federal sources (mand.) (+or -), and 3050, Change in uncollected customer payments from Federal sources: Unexpired accounts (+ or -). Also, increase lines 1800, Spending authority from offsetting collections (mand.): Collected, 4120, Offsetting collections from: Federal sources (mand.);

- For direct loan programs (Exhibit 185V), once the loan is actually disbursed, include the loan disbursement on lines 3040, Outlays (gross) (-) and 4110 Total outlays, gross (mand.), and reduce the amount of loans payable from line 3090, Unpaid obligations, end of year (gross);

- For loan guarantee programs (Exhibit 185W), do not report any loan disbursement because the private lender disbursed the loan, not the Federal Government. The subsidy cost payment collected by the financing account is held as an uninvested balance that earns interest from Treasury until it is used, for example, to pay default claims; interest supplements; the capitalized costs of foreclosing, managing, and selling collateral assets acquired as a result of defaults; and the costs routinely deducted from the proceeds of sales. Until these resources are needed for such obligations and they are apportioned, include them on line 2202, Unapportioned - Other.

185.27 How do I handle non-subsidy cost collections?

Report all collections of direct loan principal, interest on direct loans, fees, proceeds from the liquidation of collateral assets, as well as any other collections, to the appropriate cohort and risk category in the financing or liquidating account, as appropriate. Place the amount you anticipate collecting on line 1840, Anticipated collections, reimbursements, and other income (mand.). As collections are actually received throughout the year, report them on line 1800, Spending authority from offsetting collections (mand.): Collected with a corresponding reduction on line 1840 and a negative amount on line 4120, Offsetting collections from: Federal sources (mand.). Because these amounts in financing accounts earn interest, include them in the interest income calculations (see section 185.34).

In financing accounts, non-subsidy cost collections may be used only for the cohort that generated the collection. Except for fees collected, these amounts are not available to make new loans. These amounts are available to:

- Fund a portion of the direct loan, if the collection is a fee paid by the borrower;
- Pay the capitalized costs of foreclosing, managing, and selling collateral assets acquired as the result of defaults on direct or guaranteed loans and costs that are routinely deducted from the proceeds of sales (see section 185.8 for items that qualify);
- Make annual payments of interest to Treasury; and
- Make repayments of principal on amounts borrowed from Treasury using any remaining amounts.

Non-subsidy cost collections in guaranteed loan financing accounts are available to:

- Pay the capitalized costs of foreclosing, managing, and selling collateral assets acquired as the result of defaults on direct or guaranteed loans and costs that are routinely deducted from the proceeds of sales;
- Maintain an unobligated balance to pay such capitalized costs or routinely deducted costs, if any;
- Pay default claims and interest supplements on guaranteed loans;
- Make annual payments of interest to Treasury;
- Make repayments of principal on amounts borrowed from Treasury; and
- Add to the unobligated balance.

To the extent that there are insufficient collections to make timely payment of interest or principal on Treasury borrowings, the financing account must borrow to make such payments. If the cohort's expected future cash flows will not be sufficient to fully repay this additional borrowing plus the cohort's other expected obligations, you must calculate a reestimate and use the subsidy cost collections from this reestimate to repay the additional borrowing, with interest.

In liquidating accounts, these amounts may be used for similar expenses (see section 185.3(k)) without regard to cohort.

185.28 What transactions do I report when a guaranteed loan defaults?

Loan guarantee default claims are recorded in financing and liquidating accounts. When you receive a loan guarantee default claim:

- Verify that the amount of the default claim is apportioned;
- Include the obligation to pay the claim on line 2000-2013, Obligations incurred. If defaults were apportioned in Category A, place the amount on line 2000. If defaults were apportioned in Category B, place it on lines 2011-2013 in the appropriate category; and
- Include the amount as payable to the private lender on lines 3030, Obligations incurred (gross): Unexpired Accounts and 3090, Unpaid obligations, end of year (gross).

When you disburse a payment for a loan guarantee default claim:

- Include the payment on lines 3040, Outlays (gross) (-), and 4110 Total outlays, gross (mand.).
- Reduce the amounts payable on line 3090 by the amount reported on lines 3040 and 4110.

185.29 What should I do with unobligated balances in the liquidating account?

You must transfer any unobligated balance remaining at the end of the fiscal year to the general fund unless OMB has approved an extension. Include this transfer on line 1022, Capital transfer of unobligated balances to general fund (-) and line 1820, Capital transfer of spending authority from offsetting collections to general fund (mand.) (-). Additionally, unobligated balances may be applied to repay debt using line 1023, Unobligated balances applied to repay debt (-) and line 1825, Spending authority from offsetting collections applied to repay debt (mand.) (-).

Amounts credited to liquidating accounts in any year are available only for obligations that are incurred in that year and repaying debt owed to the Treasury (including the FFB).

185.30 How do I report modifications of post–1991 direct loans and loan guarantees?

A modification results in a subsidy cost increase or decrease which must be recorded on the SF 133 as follows:

If Modification...	Then...
Increases cost	In the program account, include: • The increase on lines 2000-2169 and 3030, *Obligations incurred.* If the resources for subsidy cost were apportioned in category A, include the amount on line 2000. If the resources were apportioned in category B, include the amount on lines 2011-2169 in the appropriate category; and:

If Modification...	Then...
	• The payment to the financing account on lines 3040, *Outlays (gross) (-)* and 4020, *Total outlays, gross (disc.)*. Note: You cannot incur subsidy cost obligations for modifications unless budgetary resources are available in the program account and have been apportioned for modifications. In the financing account, include: • The collection from the program account on lines 1800, *Spending authority from offsetting collections (mand.): Collected* and 4120, *Offsetting collections from Federal sources (mand.)*. Credit this amount to the cohort and risk category of the modified loan. Decrease the estimated collection on line 1840, if appropriate; • For a direct loan modification, use these amounts to pay interest and other expenses and to repay debt owed to Treasury; and • For a loan guarantee modification, use these amounts as needed to pay default claims and other expenses. Remaining balances will be held as uninvested balances with Treasury and will earn interest at the same rate as is paid on other funds held by the financing account for the same cohort.
Decreases cost	In the financing account include: • The estimated decrease on lines 2000-2011 *Obligations incurred* and 3030, *Obligations incurred (gross): Unexpired accounts*. If the resources for the subsidy cost were apportioned in Category A, include the amount on line 2000. If the resources were apportioned in Category B, include the amount on line 2011 in the appropriate category); and • The payment of the amount transferred to the appropriate account on lines 3040, *Outlays (gross) (-)* and 4110, *Total outlays, gross (mand.)*. Include the collection in a negative subsidy receipt account.

For additional transactions, see section 185.7(b).

185.31 How do I report modifications of pre–1992 direct loans and loan guarantees?

You estimate and account for the increase or decrease in cost in the same way as modifications of post-1991 loans. In addition to the steps enumerated in section 185.30, normally you must transfer the direct loan assets or loan guarantee liabilities to be modified from the liquidating account to the financing account. As part of the transfer, you must make a payment from the financing account to the liquidating account, in the case of direct loans, or from the liquidating account to the financing account, in the case of loan guarantees. In exceptional cases, subject to the approval of the OMB representative with responsibility for the credit program, the modified loans may be retained in the liquidating account. In each case, fill out the budget execution report as follows:

If Asset or Liability will be	Then...
Transferred to the financing account	For direct loans, report an obligation in the financing account that is equal to the payment amount on lines 3030 and 2011, *Obligations incurred-Unexpired Accounts, Category B, Modifications* and a disbursement in the

<table>
<tr><th>If Asset or Liability will be</th><th>Then...</th></tr>
<tr><td></td><td>same amount on line 3040, Outlays (gross) (-) and 4010/4011, Outlays from new discretionary authority / Outlays from discretionary balances. Include the receipt of the payment in the liquidating account on line 1800, Spending authority from offsetting collections, Collected (mand) and 4033 Offsetting collections from: Non-Federal Sources.

For loan guarantees, include the obligation and outlay in the liquidating account and the offsetting collection in the financing account.</td></tr>
<tr><td>Retained by the liquidating account</td><td>Where the modification increases the cost:

• For the program account, report an obligation for the appropriate subsidy cost amount on lines 3030 and 2011, Obligations incurred, Category B, Modifications and an outlay in the same amount on lines 3040, Outlays (gross) (-) and 4010/4011, Outlays from new discretionary authority / Outlays from discretionary balances.

• For the financing account, include the corresponding transaction on lines 1800, Spending authority from offsetting collections (mand.): Collected, 4120, Offsetting collections from: Federal sources (mand.) and obligation on lines 2000 and 3030, and a disbursement on lines 3040 and 4110.

• For the liquidating account, include the payment on lines 1800, Spending authority from offsetting collections (mand.): Collected and 4120, Offsetting collections from: Federal sources (mand.)

• This payment compensates this account for the reduction in its assets (direct loan) or its increased liability (loan guarantee).

Where the modification decreases the cost:

• For the liquidating account, include permanent indefinite authority to make the payment to the financing account on line 1200, Appropriation (mand.).

• For the financing account, include this receipt on lines 1800, Collected (mand.) and 4120, Offsetting collections from: Federal sources (mand.) ,and include the subsequent payment to the negative subsidy receipt account on lines 3040, Outlays (gross)(-) and 4110, Total outlays, gross (mand.).</td></tr>
</table>

See section 185.7 for additional discussion about modification transactions.

185.32 Why do financing accounts borrow from Treasury?

The FCRA provides indefinite borrowing authority to financing accounts to fund the unsubsidized portion of direct loans and to satisfy obligations in the event the financing account's resources are insufficient. For direct loan financing accounts, each loan disbursement is financed by the subsidy cost payment from the program account, fees where applicable, and borrowing from Treasury. The financing account makes a single borrowing from Treasury at the beginning of each fiscal year for each cohort based on the estimated net loan disbursements for the cohort in that fiscal year.

For loan guarantees, the financing account may borrow from Treasury when balances in the financing account are insufficient to pay claims. These borrowings generally occur on an as-needed basis.

If a direct loan or loan guarantee program or risk category generates negative subsidy cost, the financing account must borrow from Treasury to cover the payment to the negative subsidy receipt account.

All borrowing is dated October 1 regardless of whether it is the original amount borrowed at the beginning of the year or a supplementary amount borrowed later in the year. As a result of treating the entire amount as a single borrowing, interest expense is not affected by whether all borrowed funds were disbursed or whether the original borrowing had to be supplemented later in the year.

You may only carry forward obligated indefinite borrowing authority into the next fiscal year. At the end of each fiscal year, you must return unobligated indefinite borrowing authority or make an adjustment during the FACTS II year-end preliminary or revision windows.

185.33 Why do financing accounts earn interest?

The basic purpose of a guaranteed loan financing account is to accumulate funds to finance future default costs. Subsidy cost payments to the account, fees collected, and other collections are retained in the financing account as an uninvested balance and earn interest at the same rate as the discount rate used to calculate the subsidy cost. The subsidy cost payments, fees, other collections, and interest earnings will be sufficient to finance the net default costs if the initial estimate of subsidy cost is correct.

In direct loan financing accounts, undisbursed Treasury borrowings earn interest at the same rate as the financing account pays on its debt owed to Treasury so that borrowing from Treasury for subsequent disbursements during the year does not have any effect on the results of operations or net financial position of the financing account.

185.34 Who calculates interest expense and income?

You do, using the guidance and Credit Subsidy Calculator 2 provided by OMB. Staff at the Department of Treasury's Bureau of Public Debt or Financial Management Service may also perform the calculations to ensure agreement between Treasury and your agency.

185.35 When do I calculate interest expense and income?

You must make the calculations to provide an estimate for the initial SF 132. You also will make these calculations again at the end of the year based on actual data to determine the payment amounts.

185.36 What interest rate do I use to calculate interest expense and income?

The FCRA requires that the rates for discounting cashflows, financing account borrowing, and financing account interest earnings be identical and based on the Treasury rates in effect during the period of loan disbursement. The correct discount rates are provided for you in the OMB Credit Subsidy Calculator 2, available from the OMB representative with the primary responsibility for the account. For cohorts before 2001, the Credit Subsidy Calculator 2 will generate a disbursement-weighted average discount rate. For cohorts 2001 and after, the Credit Subsidy Calculator 2 will generate a single effective rate.

Program Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-1154-0-1-376		PY actual	CY est.	BY est.
	Obligations by program activity:			
00.01	Direct loan subsidy	2	2	2
00.02	Guaranteed loan subsidy	136	179	....
00.05	Reestimate of direct loan subsidy	....	1	....
00.07	Reestimate of loan guarantee subsidy	3	31	....
00.08	Interest on reestimates of loan guarantee subsidy	2	3	....
00.09	Administrative expenses	129	129	129
10.00	Total new obligations	272	345	131
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	76	111	94
22.00	New budget authority (gross)	264	328	131
22.10	Resources available from recoveries of prior year obligations	41	....	....
22.22	Unobligated balance transferred from other accounts	2	....	....
23.90	Total budgetary resources available for obligation	383	439	225
23.95	Total new obligations	-272	-345	-131
24.40	Unobligated balance carried forward, end of year	111	94	94
	New budget authority (gross), detail:			
	Discretionary			
40.00	Appropriation	267	294	131
40.35	Appropriation rescinded	-13	-1	....
42.00	Transferred from other accounts	5	....	....
43.00	Appropriation (total discretionary)	259	293	131
	Mandatory			
60.00	Appropriation	5	35	....
70.00	Total new budget authority (gross)	264	328	131
	Change in obligated balances:			
72.40	Obligated balance, start of year	109	33	33
73.10	Total new obligations	272	345	131
73.20	Total outlays (gross)	-283	-345	-192
73.40	Adjustments in expired accounts (net)	-24	....	....
73.45	Recoveries of prior year obligations	-41	....	....
74.40	Obligated balance, end of year	33	33	-28
	Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	190	185	83
86.93	Outlays from discretionary balances	88	125	109
86.97	Outlays from new mandatory authority	5	35	....
87.00	Total outlays (gross)	283	345	192
	Net budget authority and outlays:			
89.00	Budget authority	264	328	131
90.00	Outlays	283	345	192

You must use special line coding for lines 0001 - 0009. See section 185.10 (a) for a complete list.

Shaded entries are automatically calculated by MAX.

The FCRA provides permanent authority to finance reestimates (line 6000). Show reestimates in PY and CY only.

Program Account
Summary of Loan Levels and Subsidy Data (Schedule U)

Summary of Loan Levels and Subsidy Data (in millions of dollars)

Identification code 73-1154-0-1-376		PY actual	CY est.	BY est.
	Direct loan levels supportable by subsidy budget authority:			
115001	Risk category A	27	34	21
115999	Total direct loan levels	27	34	21
	Direct loan subsidy (in percent):			
132001	Risk category A	8.54	8.95	6.78
132999	Weighted average subsidy rate	8.54	8.95	6.78
	Direct loan subsidy budget authority:			
133001	Risk category A	2	2	2
133999	Total subsidy budget authority	2	2	2
	Direct loan subsidy outlays:			
134001	Risk category A net subsidy outlays	2	2	1
	Direct loan negative subsidy outlays:			
134101	Risk category A negative subsidy outlays	-1	-2	-----
	Direct loan positive subsidy outlays:			
134201	Risk category A positive subsidy outlays	3	4	1
134999	Total subsidy outlays	2	2	1
	Direct loan upward reestimate:			
135001	Risk category A	-----	1	-----
135999	Total upward reestimate	-----	1	-----
	Guaranteed loan levels supportable by subsidy budget authority:			
215001	Risk category B	9,697	9,826	10,722
215002	Risk category C	2,194	4,252	4,353
215003	Risk category D	1,261	2,109	2,500
215999	Total loan guarantee levels	13,152	16,187	17,575
	Guaranteed loan subsidy (in percent):			
232001	Risk category B	1.16	1.17	-1.07
232002	Risk category C	-----	-----	-----
232003	Risk category D	1.80	2.26	-1.87
232999	Weighted average subsidy rate	1.03	1	-0.92
	Guaranteed loan subsidy budget authority:			
233001	Risk category B	113	115	-115
233002	Risk category C	-----	-----	-----
233003	Risk category D	23	48	-47
233999	Total subsidy budget authority	136	163	-162
	Guaranteed loan subsidy outlays:			
234001	Risk category B	116	110	-100
234002	Risk category C	-----	-----	-----
234003	Risk category D	31	34	-30
	Guaranteed loan negative subsidy outlays:			
234101	Risk category B negative subsidy outlays	-24	-10	-110
234103	Risk category D negative subsidy outlays	-----	-6	-30
	Guaranteed loan positive subsidy outlays:			
234201	Risk category B positive subsidy outlays	140	120	10
234203	Risk category D positive subsidy outlays	31	40	-----
234999	Total subsidy outlays	147	144	-130
	Guaranteed loan upward reestimate:			
235002	Risk category C	5	34	-----
235999	Total upward reestimate:	5	34	-----
	Guaranteed loan downward reestimate:			
237001	Risk category B	-284	-117	-----
237002	Risk category C	-----	-271	-----
237003	Risk category D	-----	-334	-----
237999	Total downward reestimate	-284	-722	-----
	Administrative expense data:			
351000	Budget authority	129	129	129
359000	Outlays from new authority	129	129	129

Shaded entries are automatically calculated by MAX.

Contact the OMB representative with primary responsibility for the account to add or modify risk categories.

Enter reestimate budget authority in the appropriate lines (1350xx and 1370xx for direct loans, 2350xx and 2370xx for loan guarantees).

For risk categories with negative subsidy, report lines as negative amounts (1320xx and 1340xx for direct loan risk categories, 2320xx through 2340xx for loan guarantee risk categories.)

Direct Loan Financing Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-4148-0-3-376		PY actual	CY est.	BY est.
	Obligations by program activity:			
00.01	Direct loans	27	60	21
00.02	Interest on Treasury borrowing	24	29	28
	Other expenses:	....	....	....
00.03	Other expenses	17	....	5
10.00	Total new obligations	68	89	54
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	77	122	18
22.00	New financing authority (gross)	131	75	83
22.60	Portion applied to repay debt	-18	-90	-45
23.90	Total budgetary resources available for obligation	190	107	56
23.95	Total new obligations	-68	-89	-54
24.40	Unobligated balance carried forward, end of year	122	18	2
	New financing authority (gross), detail:			
	Mandatory:			
67.10	Authority to borrow	27	24	19
	Spending authority from offsetting collections:			
69.00	Offsetting collections (cash)	82	50	64
	(unexpired)			....
69.10		22	1	...
69.90	Spending authority from offsetting collections (total mandatory)	104	51	64
70.00	Total new financing authority (gross)	131	75	83
	Change in obligated balances:			
72.40	Obligated balance, start of year	25	86	94
73.10	Total new obligations	68	89	54
73.20	Total financing disbursements (gross)	15	-80	-60
74.00	Change in uncollected customer payments from program account (unexpired)	-22	-1	....
74.40	Obligated balance, end of year	86	94	88
87.00	Total financing disbursements (gross)	-15	80	60
	Offsets:			
	Against gross financing authority and financing disbursements:			
	Offsetting collections (cash) from:			
88.00	Federal sources: Payments from program account	2	3	1
	Non-Federal sources:			
88.40	Repayments of principal, net	16	8	10
88.40	Interest received on loans	22	22	28
88.40	Other income	42	17	25
88.90	Total, offsetting collections (cash)	82	50	64
	Against gross financing authority only:			
88.95	Change in uncollected customer payments from program account	22	1	....
	Net financing authority and financing disbursements:			
89.00	Financing authority	27	24	19
90.00	Financing disbursements	-97	30	-4

Shaded entries are automatically calculated by MAX.

You must use special line coding for lines 0001 - 0804. See section 185.11(a) for a complete list.

Line 7400 is automatically copied from line 6910 but with the opposite sign. Update the line stub to be consistent with 6910.

Enter lines 8800-8845 as positive amounts. These amounts will appear in the Budget Appendix with the opposite sign.

Line 8895 is automatically copied from line 6910 but will appear in the Budget Appendix with the opposite sign.

Direct Loan Financing Account
Status of Direct Loans (Schedule G)

Status of Direct Loans (in millions of dollars)

Identification code 73-4148-0-3-376		PY actual	CY est.	BY est.
	Position with respect to appropriations act limitation on obligation:			
1111	Limitation on direct loans	30	60	25
1142	Unbligated direct loan limitations (-)	-3		
1150	Total direct loan obligations	27	60	25
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	93	60	93
	Disbursements:			
1231	Direct loan disbursements	15	48	18
1232	Purchase of loan assets from the public	-30	……………..	……………..
1251	Repayments: Repayments and prepayments	-16	-8	-10
1263	Write-offs for default: Direct loans	-2	-7	-5
1290	Outstanding, end of year	60	93	96

Shaded entries are automatically calculated by MAX.

Include line 1111 even if the value is zero.

Direct Loan Financing Account
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 73-4148-0-3-376		PY-1 actual	PY actual
	ASSETS:		
	Federal assets:		
1101	Fund balances with Treasury	72	198
1106	Receivables, net	0	0
1206	Non-Federal assets: Receivables, net	…………..	29
	Net value of assets related to post-1991 direct loans receivable:		
1401	Direct loans receivable, gross	83	60
1402	Interest receivable	3	2
1405	Allowance for subsidy cost (-)	-7	-5
1499	Net present value of assets related to direct loans	79	57
1404	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Foreclosed property	9	……………..
1999	Total assets	160	284
	LIABILITIES		
	Federal liabilities:		
2103	Debt payable to Treasury	160	284
2999	Total liabilities	160	284
	NET POSITION		
3300	Cumulative results of operations	…………..	……………..
3999	Total net position	…………..	……………..
4999	Total liabilities and net position	160	284

Shaded entries are automatically calculated by MAX.

Line 1101 equals obligated and unobligated balances.

See Section 86.2 for detailed information about balance sheets.

Line 1106 includes only undisbursed upward reestimates and interest on such reestimates. Do not report amounts for CY or BY. Do not include undisbursed subsidy from the program account even if it has been obligated.

Include undisbursed downward reestimates and interest on such reestimates on line 2101.

Guaranteed Loan Financing Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-4149-0-3-376		PY actual	CY est.	BY est.
	Obligations by program activity:			
00.01	Default claims	681	720	762
00.05	Other expenses	293	283	159
08.01	Negative subsidy obligations	....	....	162
08.02	Payment of downward reestimate to receipt account	238	558	....
08.03	Payment to liquidating account to purchase loan assets	39	24	24
08.04	Payment of interest on downward reestimate to receipt account	46	164	....
10.00	Total new obligations	1,297	1,749	1,107
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	1,027	849	118
22.00	New financing authority (gross)	1,119	1,018	1,126
23.90	Total budgetary resources available for obligation	2,146	1,867	1,244
23.95	Total new obligations	-1,297	-1,749	-1,107
24.40	Unobligated balance carried forward, end of year	849	118	137
	New financing authority (gross), detail:			
	Spending authority from offsetting collections:			
	Mandatory:			
69.00	Offsetting collections (cash)	1,121	1,079	1,126
69.10	Change in uncollected customer payments from program account (unexpired)	-2	-61	....
69.90	Spending authority from offsetting collections (total mandatory)	1,119	1,018	1,126
	Change in obligated balances:			
72.40	Obligated balance, start of year	75	337	972
73.10	Total new obligations	1,297	1,749	1,107
73.20	Total financing disbursements (gross)	-1,037	-1,175	-1,472
74.00	Change in uncollected customer payments from program account (unexpired)	2	61	....
74.40	Obligated balance, end of year	337	972	607
87.00	Total financing disbursements (gross)	1,037	1,175	1,472
	Offsets:			
	Against gross financing authority and financing disbursements:			
	Offsetting collections (cash) from:			
	Federal sources:			
88.00	Payments from program account	147	140	....
88.00	Upward reestimate	3	31	....
88.00	Interest on reestimate	2	3	....
88.25	Interest on uninvested funds	22	45	46
	Non-Federal sources:			
88.40	Fees	435	588	800
88.40	Proceeds from loan asset sales	60	80	124
88.40	Other	448	154	156
88.90	Total, offsetting collections (cash)	1,117	1,041	1,126
	Against gross financing authority only:			
88.95	Change in uncollected customer payments from program account	-2	-61	....
	Net financing authority and financing disbursements:			
89.00	Financing authority			
90.00	Financing disbursements	-80	134	346

Shaded entries are automatically calculated by MAX.

Line 7400 is automatically copied from line 6910 but with the opposite sign. Update the line stub to be consistent with 6910.

Enter lines 8800-8845 as positive amounts. The amounts will appear in the Budget Appendix with the opposite sign.

Line 8895 is automatically copied from line 6910 but will appear in the Budget Appendix with the opposite sign.

Guaranteed Loan Financing Account
Status of Guaranteed Loans (Schedule H)

Status of Guaranteed Loans (in millions of dollars)

Identification code 73-4149-0-3-376	PY actual	CY est.	BY est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	14,874	16,187	17,575
2131 Guaranteed loan commitments exempt from limitation	1,284	……………..	……………..
2142 Uncommitted loan guarantee limitation	-3,006	……………..	……………..
2150 Total guaranteed loan commitments	13,152	16,187	17,575
Memorandum:			
2199 Guaranteed amount of guaranteed loan commitments	10,522	12,950	14,060
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	36,767	31,739	27,572
2231 Disbursements of new guaranteed loans	12,149	10,488	9,111
2251 Repayments and prepayments	-16,463	-13,965	-5,338
Adjustments			
2261 Terminations for default that result in loans receivable	-681	-656	-670
2264 Other adjustments, net	-33	-34	-35
2290 Outstanding, end of year	31,739	27,572	30,640
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	23,280	20,679	22,459
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable			
2310 Outstanding, start of year	753	817	1,011
2331 Disbursements for guaranteed loan claims	681	656	670
2351 Repayments of loans receivable	-204	-210	-214
2361 Write-offs of loans receivable	-236	-118	-61
2364 Other adjustments, net	-177	-134	-137
2390 Outstanding, end of year	817	1,011	1,269

Shaded entries are automatically calculated by MAX.

Include line 2111 even if the value is zero.

Line 2199 is required even if the value is the same as line 2150.

Guaranteed Loan Financing Account
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 73-4149-0-3-376		PY-1 actual	PY actual
	ASSETS:		
	Federal assets:		
1101	Fund balances with Treasury	1,102	1,186
1106	Receivables, net	5	34
1207	Non-Federal assets:Advances and pre-payments..	……………..	449
	Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501	Defaulted guaranteed loans receivable	834	817
1502	Interest receivable	38	37
1505	Allowance for subsidy cost (-)	-215	-78
1599	Net present value of assets related to defaulted guaranteed loans	657	776
1901	Other Federal assets: Other assets	128	197
1999	Total assets	1,892	2,642
	LIABILITIES		
2101	Accounts payable	284	722
2204	Non-Federal liabilities: Liabilities for loan guarantees	1,608	1,920
2999	Total liabilities	1,892	2,642
	NET POSITION		
3300	Cumulative results of operations	……………..	……………..
3999	Total net position	……………..	……………..
4999	Total liabilities and net position	1,892	2,642

Shaded entries are automatically calculated by MAX.

Line 1101 equals obligated and unobligated balances.

Line 1106 includes only undisbursed upward reestimates and interest on such reestimates. Do not report amounts for CY or BY. Do not include undisbursed subsidy from the program account even if it has been obligated.

Include undisbursed downward reestimates and interest on such estimates on line 2101.

See Section 86.2 for detailed information about balance sheets.

The financing account is designed to break even and thus have a zero results of operation.

Liquidating Account
Program and Financing Schedule (Schedule P)

Program and Financing (in millions of dollars)

Identification code 73-4154-0-3-376		2003 actual	2004 est.	2005 est.
	Obligations by program activity:			
00.01	Interest expense to Treasury	31	25	20
00.03	Miscellaneous program expenses	130	120	150
00.05	Guaranteed loan default claims	26	100	65
10.00	Total new obligations	187	245	235
	Budgetary resources available for obligation:			
21.40	Unobligated balance carried forward, start of year	32	....	....
22.00	New budget authority (gross)	187	245	235
22.40	Capital transfer to general fund	-2	....	....
22.60	Portion applied to repay debt	-30	....	....
23.90	Total budgetary resources available for obligations	187	245	235
23.95	Total new obligations	-187	-245	-235
24.40	Unobligated balance carried forward, end of year	....	....	....
	New budget authority (gross), detail:			
	Mandatory:			
69.00	Offsetting collections (cash)	270	617	327
69.27	Capital transfer to general fund (-)	-3	-22	....
69.47	Portion applied to repay debt (-)	-80	-350	-92
69.90	Spending authority from offsetting collections	187	245	235
	Change in obligated balances:			
72.40	Obligated balance, start of year	27	55	20
73.10	Total new obligations	187	245	235
73.20	Total outlays (gross)	-159	-280	-231
74.40	Obligated balance, end of year	55	20	24
	Outlays (gross) detail:			
86.97	Outlays from new mandatory authority	150	265	222
86.98	Outlays from mandatory balances	9	15	9
87.00	Total outlays (gross)	159	280	231
	Offsets:			
	Against gross budget authority and outlays:			
	Offsetting collections (cash) from:			
	Loan repayments:			
	Non-Federal sources:			
88.40	Principal	99	100	80
88.40	Interest Income	20	27	21
88.40	Net changes in receivables from the public	1	7	2
88.40	Sale of acquired collateral	150	433	199
88.90	Total of offsetting collections (cash)	270	617	327
	Net budget authority and outlays:			
89.00	Budget authority	-83	-372	-92
90.00	Outlays	-111	-337	-96

Shaded entries are automatically calculated by MAX.

There should be no unobligated balance at the end of any fiscal year (line 2440) unless an extension has been approved by OMB. Excess amounts should be used to repay debt or transferred to the general fund.

Enter lines 8800-8845 as positive amounts. These amounts will appear in the Budget Appendix with the opposite sign.

Liquidating Account
Status of Direct Loans (Schedule G)

Status of Direct Loans (in millions of dollars)

Identification code 73-4154-0-3-376		PY actual	CY est.	BY est.
	Loan fund A, Direct Loans			
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	555	326	149
1232	Disbursements: Purchase of loans assets from the Public	20	22	18
	Repayments:			
1251	Repayments and prepayments	-126	-119	-39
1252	Proceeds from loan asset sales to the public or discounted prepayments without recourse	-39	-24	-24
1262	Adjustments: Discount on loan asset sales to the public or discounted prepayments	-36	-15	………
1263	Write-offs for default: Direct loans	-48	-41	-13
1290	Outstanding, end of year	326	149	91
	Loan fund B and C, Direct Loans			
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	193	159	137
	Repayments:			
1251	Repayments and prepayments	-20	-13	-15
1252	Proceeds from loan asset sales to the public or discounted	-14	-9	-5
1290	Outstanding, end of year	159	137	117

Shaded entries are automatically calculated by MAX.

For liquidating accounts, do not use lines 1111-1150. Most liquidating accounts should not use line 1231. Liquidating accounts should not use schedule Y lines 6200 or 6300 (net financing disbursements).

Liquidating Account
Status of Guaranteed Loans (Schedule H)

Status of Guaranteed Loans (in millions of dollars)

Identification code 73-4154-0-3-376		PY actual	CY est.	BY est.
	Loan Fund D, Loan Guarantees			
	Cumulative balance of guaranteed loans outstanding:			
2210	Outstanding, start of year	2,652	2,010	1,578
2251	Repayments and prepayments	-613	-398	-313
	Adjustments:			
2261	Terminations for default that result in loans receivable	-26	-28	-22
2264	Other adjustments, net	-3	-6	-5
2290	Outstanding, end of year	2,010	1,578	1,238
	Memorandum:			
2299	Guaranteed amount of guaranteed loans outstanding, end of year	1,766	1,442	1,127
	Addendum:			
	Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year	1,378	1,320	1,242
2331	Disbursements for guaranteed loan claims	26	28	22
2361	Write-offs of loans receivable	-9	-6	……..
2364	Other adjustments, net	-75	-100	……..
2390	Outstanding, end of year	1,320	1,242	1,264

Shaded entries are automatically calculated by MAX.

For liquidating accounts, do not use lines 2111-2150 or 6300. Most liquidating accounts should not use line 2231. Liquidating accounts should not use schedule Y lines 6200 or 6300 (net financing disbursements).

Liquidating Account
Balance Sheet (Schedule F)

Balance Sheet (in millions of dollars)

Identification code 73-4154-0-3-376		PY-1 actual	PY actual
	ASSETS:		
	Federal assets:		
1101	Fund balances with Treasury	779	920
	Investments in US securities:		
1102	Treasury securities, net	244	218
1107	Advances and prepayments	6	3
	Non-Federal Assets		
1206	Receivables, net	214	280
1207	Advances and prepayments	8	8
	Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:		
1601	Direct loans, gross	748	484
1603	Allowance for estimated uncollectible loans and interest (-)	-303	-73
1699	Value of assets related to direct loans	445	411
1901	Other Federal assets: Other assets	21	115
1999	Total assets	1,717	1,955
	LIABILITIES		
	Federal liabilities:		
2101	Accounts payable	1,123	48
2102	Interest payable	57	96
2103	Debt to the FFB	193	159
2105	Other Liabilities	…………..	1,046
	Non-Federal liabilities		
2201	Accounts payable	13	108
2204	Liabilities for loan guarantees	18	13
2207	Other Liabilities	313	485
2999	Total liabilities	1,717	1,955
	NET POSITION		
3300	Cumulative results of operations	…………..	……………..
3999	Total net position	…………..	……………..
4999	Total liabilities and net position	1,717	1,955

Shaded entries are automatically calculated by MAX.

See Section 86.2 for detailed information about balance sheets.

Standard Appropriations Language

Subsidy cost of the direct loan program

Subsidy cost of the loan guarantee program

For the cost of direct loans, $11,530,000, and for the cost of loan guarantees, $6,000,000, as authorized by 7 U.S.C. 999: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $100,000,000 and total loan principal, any part of which is to be guaranteed, not to exceed $70,000,000. In addition, for administrative expenses to carry out direct and loan guarantee programs, $1,000,000.

Authorizing statute

Limitation on direct loan program

Limitation on loan guarantee program

Administrative expenses

Please see A-11 Section 95.7 for more information on appropriations language for credit programs.

Initial Apportionment
Program Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0138 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government BUREAU: Office of the Secretary	APPROPRIATION OR FUND TITLE AND SYMBOL Credit Program Account 80Y0138		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
	Appropriation:			
3A1	Actual		18,530,000	
7	**Total budgetary resources**		18,530,000	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category B:			
8B1	Direct loan subsidy		11,530,000	
8B2	Guaranteed loan subsidy		6,000,000	
8B3	Administrative expenses		1,000,000	
11	**Total budgetary resources**		18,530,000	

Subsidy ($11,530,000 + $6,000,000) + administrative expenses

These two entries should be equal.

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED *Authorized officer* (Date)

APPORTIONED________________ (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Initial Apportionment
Direct Loan Financing Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
4147 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Direct Loan Financing Account 80X4147		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
3B	Borrowing authority		88,470,000	
	Spending authority from offsetting collections (gross):			
3D3	Anticipated for rest of year, without advance		21,773,000	
	Permanently not available:			
6F	Anticipated for rest of year (-)		-8,562,750	
7	**Total budgetary resources**		101,680,250	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category A:			
8A1	First quarter		25,000,000	
8A2	Second quarter		25,000,000	
8A3	Third quarter		25,000,000	
8A4	Fourth quarter		25,000,000	
	Category B:			
8B1	Interest paid to Treasury		1,680,250	
11	**Total budgetary resources**		101,680,250	

Direct loan limitation ($100,000,000) minus subsidy ($11,530,000).

Subsidy from the program account ($11,530,000) + repayments from borrower ($10,243,000). 100% of the subsidy is recorded because the spending plan assumes that all loans will be obligated in the first year.

Anticipated principal repayments to Treasury.

These two entries should be equal.

SUBMITTED Authorized officer (Date)

APPORTIONED________________ (Date)

Initial Apportionment
Guaranteed Loan Financing Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
4148 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Guaranteed Loan Financing Account 80X4148		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	PROGRAM LEVEL			
	Guaranteed loan levels:			
G1A	Current year		70,000,000	
G1B	Unused from prior years			
	APPLICATION			
	Apportioned:			
	Category A:			
G8A1	First quarter			
G8A2	Second quarter			
G8A3	Third quarter			
G8A4	Fourth quarter			
	Category B:			
G8B1	Guaranteed loan program		70,000,000	
	BUDGETARY RESOURCES			
	Budget authority:			
	Spending authority from offsetting collections (gross):			
3D3	Anticipated for rest of year, without advance		6,360,000	
7	**Total budgetary resources**		6,360,000	
	APPLICATION OF BUDGETARY RESOURCES			
10C	**Unapportioned balance of revolving fund**		6,360,000	
11	**Total budgetary resources**		6,360,000	

Limitation on loan guarantees.

Lines G1A and G1B are only used on the SF 132 for guaranteed loan financing accounts.

Subsidy from the program account ($6,000,000) + interest from Treasury ($360,000)

These two entries should be equal.

SUBMITTED *Authorized officer* (Date)

APPORTIONED (Date)

INITIAL APPORTIONMENT SIDE-BY-SIDE-ACCOUNT COMPARISON

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
		Program Level	
Guaranteed loan levels G1A. Current year			Record the loan guarantee limitation, in this case $70,000,000. For mandatory programs, record the amount of guaranteed loans anticipated to be committed.
		Application	
Apportioned: Category B G1B. Guaranteed loan program			Should equal the amount on line 1 8100 immediately above.
		Budgetary Resources	
Budget authority Appropriations 3A1. Actual	The total amount specified in the appropriations language and becoming available on or after October 1 of the fiscal year. It is composed of amounts to cover direct and guaranteed loan subsidy costs and administrative expenses ($11,530,000 +$6,000,000 + $1,000,000).		
3B. Borrowing authority		The amount of borrowing authority anticipated to be used to cover obligations during the year that are not covered by subsidy cost payments or fees. Usually, assume direct loan obligations equal to the direct loan limitation and subtract corresponding estimates of subsidy cost payments and any fees paid by the borrower ($100,000,000–$11,530,000). (This example assumes borrowers are not charged any fees.)	
Spending authority from offsetting collections		The expected collections of credit subsidy cost	The expected collections of credit subsidy cost

Line Entry	**Program Account**	**Financing Account: Direct**	**Financing Account: Guaranteed**
(Gross) 3D3. Anticipated for rest of year, without advance		payments from the program account, plus expected repayments from borrowers ($11,530,000 + $10,243,000).	payments from the program account plus interest earned from Treasury ($6,000,000 + $360,000).
Permanently not available 6F. Anticipated rest of year		Repayments of Treasury debt are shown as a reduction in resources rather than as obligations and disbursements. Does not include interest payments made on debt owed to Treasury, which are treated as an obligation and an outlay. To calculate principal repayments to Treasury, contact your OMB representative.	
7. Total Budgetary Resources	The sum of lines 1–6 and always equal to line 12.	The sum of lines 1–6 and always equal to line 12.	The sum of lines 1–6 and always equal to line 12.
	Application of Budgetary Resources		
Apportioned Category A: 8A1. First quarter 8A2. Second quarter 8A3. Third quarter 8A4. Fourth quarter		The amount for each quarter to incur direct loan obligations and to disburse loans. Assuming that 100% of the direct loans will be obligated evenly throughout the first year, entries for each quarter are calculated by dividing the direct loan limitation level equally into four quarters ($100,000,000 * .25).	
Category B: 8B1. Direct loan subsidy cost 8B2. Guaranteed loan subsidy cost 8B3. Administrative expenses 8B4. Interest paid to Treasury	Includes separate amounts for direct loan and loan guarantee subsidy cost and administrative expenses. Because this program expects to obligate the full amounts in the first fiscal year, the total amount of subsidy cost and administrative expenses appropriated to the account should be apportioned.	In this example, $1,680,250 is requested for interest payments to Treasury.	
10C. Unapportioned balance of revolving fund			Records the amount of subsidy cost payments and interest which will be held

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
			to finance future defaults ($6,000,000 + $360,000).
11. Total Budgetary Resources	The sum of lines 8–10 and always equal to line 7.	The sum of lines 8–10 and always equal to line 7.	The sum of lines 8–10 and always equal to line 7.

Reapportionment for Modification
Program Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0138 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Credit Program Account 80Y0138		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
	Appropriation:			
3A1	Actual	18,530,000	19,530,000	
7	**Total budgetary resources**	18,530,000	19,530,000	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category B:			
8B1	Direct loan subsidy	11,530,000	11,530,000	
8B2	Guaranteed loan subsidy	6,000,000	6,000,000	
8B3	Administrative expenses	1,000,000	1,000,000	
8B4	Direct loan modification		1,000,000	
11	**Total budgetary resources**	18,530,000	19,530,000	

Subsidy ($11,530,000 + $6,000,000) + modification ($1,000,000) + administrative expenses ($1,000,000).

If your current apportionment does not provide budgetary resources to cover the modification cost, you must submit a reapportionment.

These two entries should be equal.

Budgetary resources for modifications must be apportioned in advance.

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED Authorized officer (Date)

APPORTIONED________________ (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Reapportionment for Upward Reestimate
Program Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
YYYY [= last year of availability, or "X" for no-year]
0138 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
	BUREAU: Office of the Secretary	Credit Program Account 80Y0138		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
	Appropriation:			
3A1	Actual……	18,530,000	18,530,000	
3A2	Anticipated……… FCRA……		1,000,000	
7	**Total budgetary resources……**	18,530,000	19,530,000	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category B:			
8B1	Direct loan subsidy……	11,530,000	11,530,000	
8B2	Guaranteed loan subsidy……	6,000,000	6,000,000	
8B3	Administrative expenses……	1,000,000	1,000,000	
8B4	Reestimate……		1,000,000	
11	**Total budgetary resources……**	18,530,000	19,530,000	

Until indefinite appropriations are warranted, include them on line 3A2. On subsequent apportionments, include the warranted amounts on line 3A1 (see line description of indefinite appropriation).

If your current apportionment does not provide budgetary resources to cover the upward reestimate, you must submit a reapportionment requesting permanent indefinite authority to cover upward reestimate of $1,000,000.

These two entries should be equal.

Budgetary resources for upward reestimate.

NOTE: Line 3A1, P.L. 106-XXX.

SUBMITTED *Authorized officer* (Date) APPORTIONED ______ (Date)

NOTE. Pursuant to 31 U.S.C. 1553(b), not to exceed one percent of the total appropriation for this account is apportioned for the purpose of paying legitimate obligations related to canceled accounts.

Reapportionment for Downward Reestimate
Direct Loan Financing Account

80 [= Treasury agency code]
[= first year of availability, or blank for annual and no-year]
X [= last year of availability, or "X" for no-year]
4148 [= Treasury account code]
YYYY [= fiscal year]
01 [= program number. Use the default value of "01" unless OMB tells you to use other numbers]

Fiscal year CY

SF 132 APPORTIONMENT AND REAPPORTIONMENT SCHEDULE

	AGENCY: Department of Government BUREAU: Office of the Secretary	APPROPRIATION OR FUND TITLE AND SYMBOL Direct Loan Financing Account 80X4148		
	DESCRIPTION	AMOUNT ON LATEST SF 132	AGENCY REQUEST	ACTION BY OMB
	BUDGETARY RESOURCES			
	Budget authority:			
3B	Borrowing authority	88,470,000	88,470,000	
	Spending authority from offsetting collections (gross):			
	Earned:			
3D1a	Collected	21,773,000	22,773,000	
	Permanently not available:			
6C	Capital transfers and redemption of debt (-)	-8,562,750	-8,562,750	
7	**Total budgetary resources**	101,680,250	102,680,250	
	APPLICATION OF BUDGETARY RESOURCES			
	Apportioned:			
	Category A:			
8A1	First quarter	25,000,000	25,000,000	
8A2	Second quarter	25,000,000	25,000,000	
8A3	Third quarter	25,000,000	25,000,000	
8A4	Fourth quarter	25,000,000	25,000,000	
	Category B:			
8B1	Interest paid to Treasury	1,680,250	1,680,250	
8B2	To receipt account		1,000,000	
11	**Total budgetary resources**	101,680,250	102,680,250	

Direct loan limitation ($100,000,000) minus subsidy ($11,530,000).

$1,000,000 more was collected from borrowers than estimated.

If your current apportionment does not address the downward reestimate, you must submit a reapportionment.

Use 6C (actual) and 6F (anticipated) to show principal repayments to Treasury.

These two entries should be equal.

Downward reestimates are obligated and disbursed to the receipt account.

SUBMITTED *Authorized officer* (Date)

APPORTIONED______________________ (Date)

End of First Quarter: Program Account
Report on Budget Execution and Budgetary Resources

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 12/31/CY

AGENCY: Department of Government	**APPROPRIATION OR FUND TITLE AND SYMBOL**			
BUREAU: Office of the Secretary	Credit Program Account			
	Unexpired			
SCHEDULE OF BUDGETARY RESOURCES				
1100 BA: Appropriation (disc.)……	18,530,000			
1910 Total budgetary resources (disc. and mand.)……	**18,530,000**			
STATUS OF BUDGETARY RESOURCES				
2002 Obligations incurred: Category B, 1. Direct loan subsidy……	2,882,500			
2002 Obligations incurred: Category B, 2. Guaranteed loan subsidy……	1,500,000			
2002 Obligations incurred: Category B, 3. Administrative expenses……	250,000			
2201 Unob Bal: Apportioned: Available in the current period……	13,897,500			
2500 Total budgetary resources……	**18,530,000**			
CHANGE IN OBLIGATED BALANCE				
3030 Ob Bal: Obligations incurred: Unexpired accounts……	4,632,500			
3040 Ob Bal: Outlays (gross) (-)……	-3,756,000			
3090 Ob Bal: EOY: Unpaid obligations (gross)……..	876,500			
3100 Obligated balance, end of year (net)……	876,500			
BUDGET AUTHORITY AND OUTLAYS, NET				
4000 Budget authority, gross (disc.)……	18,530,000			
4010 Outlays from new discretionary authority (disc.)……	3,756,000			
4070 Budget authority, net (disc.)……	18,530,000			
4080 Outlays, net (disc.)……	3,756,000			
4180 Budget authority, net (disc. and mand.)……	18,530,000			
4190 Outlays, net (disc. and mand.)……	3,756,000			

The appropriations becoming available on or after October 1 of the fiscal year. In this case, it is composed of direct loan subsidy ($11,530,000) + guaranteed loan subsidy ($6,000,000) + administrative expenses ($1,000,000).

25% of the total direct and guaranteed loan subsidy has been obligated.

25% of the total administrative expenses has been obligated.

Amount apportioned under Category B of the latest SF 132 ($18,530,000) minus the total obligations incurred on lines 2011 through 2013 above ($4,632,500).

Loan subsidy obligated but not yet disbursed.

Loan subsidy and administrative cost obligated and disbursed.

NOTE: Line 1100, P.L. 1XX-XXX

Note: Exhibit 185U illustrates the End of First Quarter SF 133 report for this account. Exhibits 185V and 185W show the related End of First Quarter Direct Loan and Guaranteed Loan Financing accounts, respectively.

End of First Quarter: Direct Loan Financing Account
Report on Budget Execution and Budgetary Resources

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 12/31/CY

AGENCY: Department of Government **BUREAU: Office of the Secretary**	**APPROPRIATION OR FUND TITLE AND SYMBOL** Direct Loan Financing Account Unexpired	
SCHEDULE OF BUDGETARY RESOURCES		
1400 BA: Borrowing authority (mand.)	88,470,000	Amount apportioned on latest SF 132. For indefinite borrowing authority, see SF 132 lines 1A, 3B and 6D as well as revised SF 133 lines 1000, 1400 and 1401 in Appendix F
1800 BA: Spending auth: Collected (mand.)	2,306,000	As direct loans are obligated and disbursed, the loan subsidy is collected from the program account
1801 BA: Spending auth: Change in uncollected cust payments, Fed srcs (mand.) (+or -)	576,500	Direct loan subsidy obligated but not yet received from the program account.
1825 BA: Spending auth: Applied to repay debt (mand.) (-)	-8,562,750	Use 1825 (actual) and 1840 (anticipated) to show principal repayments to Treasury. If you have any unobligated balances brought forward, Oct 1st, please use 1023 to repay debt
1840 BA: Spending auth: Anticipated collections, reimbursements, and other income (mand.)	18,890,500	The remainder of the loan subsidy expected from the program account for the unobligated portion of the direct loans plus the expected repayments from borrowers that will not be received until the end of the fiscal year
1850 [BA: Spending authority from offsetting collections (mand.) (total)]	[13,210,250]	
1910 Total budgetary resources (disc. and mand.)	**101,680,250**	
STATUS OF BUDGETARY RESOURCES		
2001 Obligations incurred: Category A (by quarter)	25,000,000	Obligations incurred against the amount apportioned for this period under Category A of the latest SF 132.
2002 Obligations incurred: Category B, Interest payment to Treasury	1,680,250	Interest is obligated through the year but not yet disbursed.
2202 Unob Bal: Apportioned: Available in subsequent periods	56,109,500	Amount apportioned on latest SF 132 by time periods (under Category A &B) that will not become available until after the reporting
2203 Unob Bal: Apportioned: Anticipated	18,890,500	
2500 Total budgetary resources	**101,680,250**	
CHANGE IN OBLIGATED BALANCE		
3030 Ob Bal: Obligations incurred: Unexpired accounts	26,680,250	
3040 Ob Bal: Outlays (gross) (-)	-20,000,000	
3050 Ob Bal: Change in uncollected cust payments, Fed srcs: Unexpired accounts (+ or -)	-576,500	
3090 Ob Bal: EOY: Unpaid obligations (gross)	6,680,250	Direct loans obligated but not yet disbursed + interest payment to Treasury obligated but not yet disbursed.
3091 Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)	-576,500	Subsidy receivable from the program account for the portion of the direct loans that were obligated but not disbursed.
3100 Obligated balance, end of year (net)	6,103,750	
BUDGET AUTHORITY AND OUTLAYS, NET		
4090 Budget authority, gross (mand.)	82,789,750	
4110 Total outlays, gross (mand.)	20,000,000	Loans disbursed from the account, as of this reporting period.
4120 Offsets, BA and OL: Offsetting collections from Fed srcs (mand.)	-2,306,000	Direct loan subsidy collected from program account.
4140 Offsets, BA only: Change in uncoll cust payments from Fed srcs (unexpired) (mand.) (+ or -)	-576,500	
4160 Budget authority, net (mand.)	79,907,250	
4170 Outlays, net (mand.)	17,694,000	
4180 Budget authority, net (disc. and mand.)	79,907,250	
4190 Outlays, net (disc. and mand.)	17,694,000	

Note: Exhibit 185U illustrates the End of First Quarter Program Account for this account. Exhibit 185Z illustrates the End of Fiscal Year SF 133 for this account.

End of First Quarter: Guaranteed Loan Financing Account
Report on Budget Execution and Budgetary Resources

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 12/31/CY

AGENCY: Department of Government	**APPROPRIATION OR FUND TITLE AND SYMBOL**			
BUREAU: Office of the Secretary	Guaranteed Loan Financing Account			
	Unexpired			
SCHEDULE OF BUDGETARY RESOURCES				
1800 BA: Spending auth: Collected (mand.)……	1,200,000			
1801 BA: Spending auth: Change in uncollected cust payments, Fed srcs (mand.) (+or -)……	300,000			
1840 BA: Spending auth: Anticipated collections, reimbursements, and other income (mand.)……	4,860,000			
1850 [BA: Spending authority from offsetting collections (mand.) (total)]……	[6,360,000]			
1910 Total budgetary resources (disc. and mand.)……	**6,360,000**			
STATUS OF BUDGETARY RESOURCES				
2202 Unob Bal: Unapportioned: Other……	6,360,000			
2210 Total budgetary resources……	**6,360,000**			
CHANGE IN OBLIGATED BALANCE				
3050 Ob Bal: Change in uncollected cust payments, Fed srcs: Unexpired accounts (+ or -)……	-300,000			
3091 Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)……	-300,000			
3100 Obligated balance, end of year (net)……	-300,000			
BUDGET AUTHORITY AND OUTLAYS, NET				
4090 Budget authority, gross (mand.)……	1,500,000			
4120 Offsets, BA and OL: Offsetting collections from Fed srcs (mand.)……	-1,200,000			
4140 Offsets, BA only: Change in uncoll cust payments from Fed srcs (unexpired) (mand.) (+ or -)……	-300,000			
4160 Budget authority, net (mand.)……	-			
4180 Budget authority, net (disc. and mand.)……	-			
4190 Outlays, net (disc. and mand.)……	-			

When loan guarantees have been committed and the loans disbursed, the subsidy is received from the program account.

Subsidy obligated but not yet received from program account.

The remainder of loan guarantee subsidy expected from the program account.

Guaranteed loan financing accounts hold a reserve for future defaults.

Subsidy collected from program account.

Note: Exhibit 185U illustrates the End of First Quarter Program Account for this account. Exhibit 185AA illustrates the End of Fiscal Year SF 133 for this account.

BUDGET EXECUTION REPORTING—END OF FIRST QUARTER
SIDE-BY-SIDE ACCOUNT COMPARISON

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
Schedule of Budgetary Resources			
1100. BA: Appropriation (disc.)	The total amount becoming available on or after October 1 of the fiscal year. It is composed of amounts for direct loan and loan guarantee subsidy costs and administrative expenses ($11,530,000 + $6,000,000 + $1,000,000). The entry for this line should equal the entry on line 3A of the latest SF 132 for this account.		
1400. BA: Borrowing authority (mand.)		The amount of borrowing authority anticipated to be used to cover obligations during the year that are not covered by subsidy cost payments or fees. Usually, assume direct loan obligations equal to the direct loan limitation and subtract corresponding estimates of subsidy cost payments and any fees paid by the borrower ($100,000,000–$11,530,000). The entry for this line should equal the entry on line 3B of the latest SF 132 for this account.	
1800 BA: Spending author: Collected (mand.)		When a direct loan is disbursed, the financing account collects the subsidy cost payment from the program account. So far, only 80% of the loans obligated this quarter have been disbursed so only 80% of the subsidy cost should be collected ($2,882,500 * .8). Later, as borrowers make repayments, such amounts will also be recorded on this line.	When a guaranteed loan is disbursed by a private lender, the financing account collects the subsidy cost payment from the program account. These collections are held to finance future defaults. So far, private lenders have disbursed only 80% of the loans guaranteed this quarter ($1,500,000 * .8).

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
1801. BA: Spending auth: Change in uncollected customer payments, Fed srcs (mand.) (+or -)		The portion of the subsidy cost for loans obligated but not yet disbursed in the first quarter ($2,882,500 * .2). When the remaining 20% of the loans is disbursed, the program account will pay the remaining subsidy cost to the financing account, and the amount on this line will be moved to line 1800.	The portion of the subsidy cost for guarantees committed but not yet disbursed in the first quarter ($1,500,000 * .2). When the remaining 20% of the loans is disbursed, the program account will pay the remaining subsidy cost to the financing account, and the amount on this line will be moved to line 1800.
1825 BA: Spending auth: Applied to repay debt (mand.) (-)		Repayments of Treasury debt are shown as a reduction in resources rather than as an obligation of resources. This entry does not include interest payments made on borrowing from Treasury, which are treated as an obligation and an outlay.	
1840 BA: Spending auth: Anticipated collections, reimbursements, and other income (mand.)		The anticipated subsidy cost payments from the program account for loans planned to be obligated in the remaining quarters of this year and expected borrower repayments of principal and interest for this year [($2,882,500 * 3) + $10,243,000]. As direct loans are obligated and disbursed, reflect these actions by moving the corresponding amounts to lines 1800 and 1801, as appropriate.	The anticipated subsidy cost payments from the program account for guarantees planned to be committed in the remaining quarters of this year and interest earned from Treasury [($1,500,000 * 3) + $360,000]. As guarantees are committed and guaranteed loans are disbursed, reflect these actions by moving the corresponding amounts to lines 1800 and 1801, as appropriate.
1850 BA: Spending authority from offsetting collections (mand.) (total)		The sum of lines 1800-1840.	The sum of lines 1800-1840.
1910. Total budgetary resources (disc. and mand.)	Represents all the budgetary resources available for new obligations (typically the amount on line 1100). This line should always equal line 2500.	The sum of detailed lines 1400 through 1840 and should equal line 2210.	The sum of detailed lines 1800 through 1840 and should equal line 2210.

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
Status of Budgetary Resources			
2001 Obligations incurred: Category A (by quarter)		A quarter of the borrowing authority and subsidy cost has been obligated ($100,000,000 * .25).	
2002 Obligations incurred: Category B, 1. Direct loan subsidy cost 2002 Obligations incurred: Category B, 2. Guaranteed loan subsidy cost 2002. Obligations incurred: Category B, 3. Administrative expenses	A quarter of the direct loan and loan guarantee subsidy cost and administrative expenses has been obligated, so a quarter of each [.25 * ($11,530,000 + $6,000,000 + $1,000,000)] is recorded.		
2002. Obligations incurred: Category B, 4. Interest payment to Treasury		The interest payment to Treasury ($1,680,250) is recorded.	
2201. Unob Bal Apportioned: Available in the current period	Based on the latest SF 132, a total of $18,530,000 is apportioned for this account, but only $4,632,500 ($2,882,500 + $1,500,000 +$250,000) has been obligated. Therefore, the remaining $13,897,500 is recorded.		
2202. Unob Bal: Apportioned: Available in subsequent periods		Because this account is apportioned by time periods, the amount apportioned on the latest SF 132 (line 8, *Category A*) that will not become available until after this reporting period is recorded here. This is calculated by taking the total Category A apportionment on the latest SF 132 minus the obligations incurred on line 2000 of this SF 133, minus anticipated apportionments. ($100,000,000– $25,000,000- $18,890,500).	

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
22032 Unob Bal: Apportioned: Anticipated		These are anticipated subsidy cost repayments. Since the amount is anticipated, it is categorized separately from apportionments available in subsequent periods.	
2403 Unob Bal: Unapportioned: Other			Guaranteed loan financing accounts hold an interest-earning reserve for future defaults. Record the amount of subsidy cost payments and interest received and anticipated ($4,860,000 + $1,200,000 + $300,000) for the year.
2500 Total Budgetary Resources	The sum of lines 2011-2180 and should equal line 1910.	The sum of lines 2000–2182 and should equal line 1910.	The amount on line 2202 and should equal line 1910.
	Change in Obligated Balance		
3030. Ob Bal: Obligations incurred: Unexpired accounts	A quarter of the direct loan and loan guarantee subsidy cost and administrative expenses has been obligated, so a quarter of each [.25 * ($11,530,000 + $6,000,000 + $1,000,000)] is recorded.	The amount payable to Treasury for interest expense and the amount of direct loans obligated but not yet disbursed by the financing account [$1,680,250 + $25,000,000].	
3040 Ob Bal: Outlays (gross) (-)	The amount of obligations that are liquidated by disbursements. In this example, only 80% of the subsidy cost obligated this quarter [($2,882,500 + $1,500,000) * .8] (see line 1100 of the financing account) and 25% of the administrative expenses have been disbursed. The sum of these two disbursements ($3,506,000 + $250,000) is recorded.	The amount of direct loan subsidy that has been disbursed from the obligated balance. [$25,000,000 * .8]	

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
3050 Ob Bal: Change in uncollected customer payments, Fed srcs: Unexpired accounts (+ or -)		The portion of the subsidy cost for loans obligated but not yet disbursed in the first quarter ($2,882,500 * .2). When the remaining 20% of the loans is disbursed, the program account will pay the remaining subsidy cost to the financing account, and the amount on this line will be moved to line 1800. This line is the same as line 1801, but with opposite sign.	The portion of the subsidy cost for guarantees committed but not yet disbursed in the first quarter ($1,500,000 * .2). When the remaining 20% of the loans is disbursed , the program account will pay the remaining subsidy cost to the financing account, and the amount on this line will be moved to line 1800. This line is the same as line 1801, but with opposite sign.
3090 Ob Bal: EOY: Unpaid obligations (gross)	The sum of lines 3030 and 3040.	The sum of lines 3030, and 3040.	
3091. Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)		The amount of direct loan subsidy cost payment receivable from the program account for the portion of the direct loan subsidy cost that was obligated but remains undisbursed ($2,882,500 * .2). This line is the same as line 3050 and 1801, but with the opposite sign.	The amount of subsidy cost for loan guarantees receivable from the program account for the portion of the loan guarantee that was obligated but remains undisbursed ($1,500,000 * .2). This line is the same as line 3050 and 1801, but with the opposite sign.
3100. Obligated balance, end of year (net)	The sum of lines 3030 and 3040, and should equal the sum of lines 3090 and 3091.	The sum of lines 3030-3050, and should equal the sum of lines 3090 and 3091.	The sum of line 3050, and should equal the sum of lines 3090 and 3091.
Budget Authority and Outlays, Net			
4000 Budget authority, gross (disc.)	The amount on line 1100.		
4010. Outlays from new discretionary authority (disc.)	This equals the portion of line 3040 that is derived from new discretionary authority.		
4070. Budget authority, net (disc.)	This line should equal line 4000.		
4080. Outlays, net (disc.)	This line should equal line 4010.		
4090. Budget authority, gross (mand.)		The sum of detailed lines 1400, 1800, 1801 and 1840.	The sum of detailed lines 1800, 1801 and 1840.
4110. Total outlays, gross (mand.)		This equals line 3040, with the opposite sign.	This equals line 3040, with the opposite sign.

Line Entry	**Program Account**	**Financing Account: Direct**	**Financing Account: Guaranteed**
4120. Offsets, BA and OL: Offsetting collections from Fed srcs (mand.)		Repayments from the borrowers are not expected until the end of the year, so this entry should reflect only the amount of the direct loan subsidy cost payments that have been disbursed from the program account (see line 1800), recorded as a negative amount.	Records the amount of the loan guarantee subsidy cost payments that have been disbursed from the program account (see line 1800), recorded as a negative amount.
4140. Offsets BA only: Change in uncoll cust payments from Fed srcs (unexpired) (mand.) (+ or -)		Equals line 1801, but with the opposite sign.	Equals line 1801, but with the opposite sign.
4160. Budget authority, net (mand.)		Sum of lines 4090, 4120 and 4140.	Sum of lines 4090, 4120 and 4140.
4170. Outlays, net (mand.)		Sum of lines 4110 and 4120.	Sum of lines 4110 and 4120.
4180. Budget authority, net (disc. and mand.)	This line should equal line 4070 (disc.)	This line should equal line 4160 (mand.)	This line should equal line 4160 (mand.)
4190. Outlays, net (disc. and mand.)	This line should equal line 4080 (disc.)	This line should equal line 4170 (mand.)	This line should equal line 4170 (mand.)

End of Fiscal Year: Program Account
Report on Budget Execution and Budgetary Resources

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 09/30/CY

AGENCY: Department of Government	**APPROPRIATION OR FUND TITLE AND SYMBOL**			
BUREAU: Office of the Secretary	Credit Program Account			
	Unexpired			
SCHEDULE OF BUDGETARY RESOURCES				
1100 BA: Appropriation (disc.)	18,530,000			
1910 Total budgetary resources (disc. and mand.)	**18,530,000**			
STATUS OF BUDGETARY RESOURCES				
2002 Obligations incurred: Category B, 1. Direct loan subsidy	11,530,000			
2002 Obligations incurred: Category B, 2. Guaranteed loan subsidy	6,000,000			
2002 Obligations incurred: Category B, 3. Administrative expenses	1,000,000			
2500 Total budgetary resources	**18,530,000**			
CHANGE IN OBLIGATED BALANCE				
3030 Ob Bal: Obligations incurred: Unexpired accounts	18,530,000			
3040 Ob Bal: Outlays (gross) (-)	-15,024,000			
3090 Ob Bal: EOY: Unpaid obligations (gross)	3,506,000			
3100 Obligated balance, end of year (net)	3,506,000			
BUDGET AUTHORITY AND OUTLAYS, NET				
4000 Budget authority, gross (disc.)	18,530,000			
4010 Outlays from new discretionary authority (disc.)	15,024,000			
4070 Budget authority, net (disc.)	18,530,000			
4080 Outlays, net (disc.)	15,024,000			
4180 Budget authority, net (disc. and mand.)	18,530,000			
4190 Outlays, net (disc. and mand.)	15,024,000			

100% of direct and guaranteed loan subsidy and administrative expenses have been obligated.

Loan subsidy obligated but not yet disbursed.

Loan subsidy and administrative cost obligated and disbursed.

NOTE: Line 1100, P.L. 1XX-XXX

Note: Exhibit 185U illustrates the End of First Quarter SF 133 report for this account. Exhibits 185Z and 185AA show the related End of Fiscal Year Direct Loan and Guaranteed Loan Financing accounts, respectively.

End of Fiscal Year: Direct Loan Financing Account
Report on Budget Execution and Budgetary Resources

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 09/30/CY

AGENCY: Department of Government	**APPROPRIATION OR FUND TITLE AND SYMBOL**
BUREAU: Office of the Secretary	Direct Loan Financing Account
	Unexpired
SCHEDULE OF BUDGETARY RESOURCES	
1400 BA: Borrowing authority (mand.)	88,470,000
1800 BA: Spending auth: Collected (mand.)	19,467,000
1801 BA: Spending auth: Change in uncollected cust payments, Fed srcs (mand.) (+or -)	2,306,000
1825 BA: Spending auth: Applied to repay debt (mand.) (-)	-8,562,750
1850 [BA: Spending authority from offsetting collections (mand.) (total)]	[13,210,250]
1910 Total budgetary resources (disc. and mand.)	**101,680,250**
STATUS OF BUDGETARY RESOURCES	
2001 Obligations incurred: Category A (by quarter)	100,000,000
2002 Obligations incurred: Category B, Interest payment to Treasury	1,680,250
2500 Total budgetary resources	**101,680,250**
CHANGE IN OBLIGATED BALANCE	
3030 Ob Bal: Obligations incurred: Unexpired accounts	101,680,250
3040 Ob Bal: Outlays (gross) (-)	-81,680,250
3050 Ob Bal: Change in uncollected cust payments, Fed srcs: Unexpired accounts (+ or -)	-2,306,000
3090 Ob Bal: EOY: Unpaid obligations (gross)	20,000,000
3091 Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)	-2,306,000
3100 Obligated balance, end of year (net)	17,694,000
BUDGET AUTHORITY AND OUTLAYS, NET	
4090 Budget authority, gross (mand.)	101,680,250
4110 Total outlays, gross (mand.)	81,680,250
4120 Offsets, BA and OL: Offsetting collections from Fed srcs (mand.)	-9,224,000
4123 Offsets, BA and OL: Offsetting collections from non-Fed srcs (mand.)	-10,243,000
4130 [Mand: Offsets against gross budget authority and outlays (total)]	[-19,467,000]
4140 Offsets, BA only: Change in uncoll cust payments from Fed srcs (unexpired) (mand.) (+ or -)	-2,306,000
4160 Budget authority, net (mand.)	79,907,250
4170 Outlays, net (mand.)	62,213,250
4180 Budget authority, net (disc. and mand.)	79,907,250
4190 Outlays, net (disc. and mand.)	62,213,250

Amount apportioned on latest SF 132. For indefinite borrowing authority, see SF 132 lines 1A, 3B and 6D as well as revised SF 133 lines 1000, 1400 and 1401 in Appendix F

Direct loan subsidy collected from the program account ($11,530,000 * 80%) + repayments from borrower ($10,243,000).

Portion of the direct loan subsidy obligated but not yet disbursed from the program account ($11,530,000* 20%)

Actual principal repayments to Treasury. If you have any unobligated balances brought forward, Oct 1st, please use 1023 to repay debt.

Obligations incurred against the amount apportioned for this period under Category A of the latest SF 132.

Amount of direct loans obligated but not yet disbursed ($100,000,000 * 20%).

Direct loan subsidy still receivable from program account.

Portion of the loan that has been disbursed ($100,000,000 * 80%) + interest paid to Treasury ($1,680,250).

Direct loan subsidy collected from the program account ($11,530,000 * 80%).

Repayments from borrower.

Note: Exhibit 185Y illustrates the End of Fiscal Year Program Account for this account. Exhibit 185V illustrates the End of First Quarter SF 133 for this account.

End of Fiscal Year: Guaranteed Loan Financing Account
Report on Budget Execution and Budgetary Resources

SF 133 REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES

Period ended 09/30/CY

AGENCY: Department of Government	**APPROPRIATION OR FUND TITLE AND SYMBOL**			
BUREAU: Office of the Secretary	Guaranteed Loan Financing Account			
	Unexpired			
SCHEDULE OF BUDGETARY RESOURCES				
1800 BA: Spending auth: Collected (mand.)	5,160,000			
1801 BA: Spending auth: Change in uncollected cust payments, Fed srcs (mand.) (+or -)	1,200,000			
1850 [BA: Spending authority from offsetting collections (mand.) (total)]	[6,360,000]			
1910 Total budgetary resources (disc. and mand.)	**6,360,000**			
STATUS OF BUDGETARY RESOURCES				
2403 Unob Bal: Unapportioned: Other	6,360,000			
2500 Total budgetary resources	**6,360,000**			
CHANGE IN OBLIGATED BALANCE				
3050 Ob Bal: Change in uncollected cust payments, Fed srcs: Unexpired accounts (+ or -)	-1,200,000			
3091 Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)	-1,200,000			
3100 Obligated balance, end of year (net)	-1,200,000			
BUDGET AUTHORITY AND OUTLAYS, NET				
4090 Budget authority, gross (mand.)	6,360,000			
4120 Offsets, BA and OL: Offsetting collections from Fed srcs (mand.)	-4,160,000			
4122 Offsets, BA and OL: Offsetting collections from interest on uninvested funds (mand.)	-1,000,000			
4130 [Offsets against gross budget authority and outlays (mand.) (total)]	[-5,160,000]			
4140 Offsets, BA only: Change in uncoll cust payments from Fed srcs (unexpired) (mand.) (+ or -)	-1,200,000			
4160 Budget authority, net (mand.)	-			
4180 Budget authority, net (disc. and mand.)	-			
4190 Outlays, net (disc. and mand.)	-			

When loan guarantees have been committed and the loans disbursed, the subsidy is received from the program account.

Subsidy obligated but not yet received from program account.

Guaranteed loan financing accounts hold a reserve for future defaults.

Amount of subsidy collected from program account.

Amount of interest collected.

Note: Exhibit 185Y illustrates the End of Fiscal Year Program Account for this account. Exhibit 185W illustrates the End of Quarter SF 133 for this account.

BUDGET EXECUTION REPORTING—END OF FISCAL YEAR
SIDE-BY-SIDE ACCOUNT COMPARISON

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
Schedule of Budgetary Resources			
1100. BA: Appropriation (disc.)	In this example, this entry should be the same as the End of First Quarter.		
1400. BA: Borrowing authority (mand.)		In this example, this entry should be the same as the End of First Quarter. Any unobligated borrowing authority must be returned at the end of the fiscal year.	Any unobligated borrowing authority must be returned at the end of the fiscal year.
1800. BA: Spending auth: Collected (mand.)		This entry should be updated to reflect that payments totaling 80% of the subsidy cost ($11,530,000 * .8) have been collected from the program account and $10,243,000 was collected from borrower repayments.	This entry should be updated to reflect that payments totaling 80% of the subsidy cost ($6,000,000 * .8) have been collected from the program account and $360,000 was received from Treasury for interest.
1801. BA: Spending auth: Change in uncollected customer payments, Fed srcs (mand.) (+or -)		The remaining 20% of the subsidy cost payments receivable from the program account is recorded ($11,530,000 * .2).	The remaining 20% of the subsidy cost payments receivable from the program account is recorded ($6,000,000 *.2).
1825. BA: Spending auth: Applied to repay debt (mand.) (-)		After debt is actually repaid, use this line.	
1850. BA: Spending authority from offsetting collections (mand.) (total)		The sum of lines 1800-1825.	The sum of lines 1800 and 1801.
1910. Total budgetary resources (disc. and mand.)	This line equals the amount on line 1100 and should always equal line 2210.	The sum of detailed lines 1400 through 1825 and should equal line 2210.	The sum of detailed lines 1400 through 1801 and should equal line 2210.
Status of Budgetary Resources			
2000. Obligations incurred: Category A (by quarter)		Update this line to reflect that the full $100,000,000 has been obligated.	

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
2011. Obligations incurred: Category B: Direct loan subsidy 2012. Obligations incurred: Category B: Guaranteed loan subsidy 2013. Obligations incurred: Category B: Administrative expenses	The full amount of direct and guaranteed loan subsidy cost ($11,530,000 + $6,000,000) and administrative expenses ($1,000,000) has been obligated.		
2014. Obligations incurred: Category B: Interest payment to Treasury		Record the interest payment to Treasury.	
2202. Unob Bal: Unapportioned: Other			The amount of subsidy cost payments and interest received and anticipated ($5,160,000 + $1,200,000) for the year.
2210. Total budgetary resources	The sum of lines 2011-2013 and should equal line 1910.	The sum of lines 2000 and 2014 and should equal line 1910.	The amount on line 2202 and should equal line 1910.
Change in Obligated Balance			
3030. Ob Bal: Obligations incurred: Unexpired accounts	Records the amount of direct loan and loan guarantee subsidy cost and administrative expenses obligated but undisbursed. Reflects the amount of budgetary resources for subsidy cost that remains in the program account [($11,530,000 + $6,000,000)*.2]. All of the administrative expenses have been disbursed.	This is the amount of loans obligated but not yet disbursed ($100,000,000 *.2).	
3040. Ob Bal: Outlays (gross) (-)	When a direct loan is disbursed from the financing account, the subsidy cost payment moves from lines 3030 and 3090 to lines 4010 and 4080. In this example, because 80% of the loans and 100% of the administrative expenses		

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
	have been disbursed, the entry is 80% of the subsidy cost plus the full amount of administrative expenses [($17,530,000 * .8) + $1,000,000].	Record the loans disbursed plus the amount of interest paid to Treasury [($100,000,000*.8) + $1,680,250].	
3050. Ob Bal: Change in uncollected customer payments, Fed srcs: Unexpired accounts (+ or -)		The remaining 20% of the subsidy cost payments receivable from the program account is recorded ($11,530,000 * .2). This line equals lines 1801 and 3091, but with the opposite sign.	The remaining 20% of the subsidy cost payments receivable from the program account is recorded ($6,000,000 * .2). This line equals lines 1801 and 3091, but with the opposite sign.
3090. Ob Bal: EOY: Unpaid obligations (gross)	Records the amount of direct loan and loan guarantee subsidy cost and administrative expenses obligated but undisbursed. Reflects the amount of budgetary resources for subsidy cost that remains in the program account [($11,530,000 + $6,000,000) * .2]. All of the administrative expenses have been disbursed.	This is the amount of loans obligated but not yet disbursed ($100,000,000 * .2).	
3091. Ob Bal: EOY: Uncollected cust payments from Fed srcs (-)		Equals line 3050, but with the opposite sign.	Equals line 3050, but with the opposite sign.
3100. Obligated balance, end of year (net)	The sum of lines 3030 and 3040, and should equal the sum of lines 3090 and 3091.	The sum of lines 3030-3050, and should equal the sum of lines 3090 and 3091.	The sum of line 3050, and should equal the sum of lines 3090 and 3091.
Budget Authority and Outlays, Net			
4000. Budget authority, gross (disc.)	The amount on line 1100.		
4010. Outlays from new discretionary authority (disc.)	This equals the portion of line 3040 that is derived from new discretionary authority.		
4070. Budget authority, net (disc.)	This line should equal line 4000.		

Line Entry	Program Account	Financing Account: Direct	Financing Account: Guaranteed
4080. Outlays, net (disc.)	This line should equal line 4010.		
4090. Budget authority, gross (mand.)		The sum of detailed lines 1400 and 1800-1825.	The sum of detailed lines 1400 and 1800-1825.
4110. Total outlays, gross (mand.)		This equals line 3040, with the opposite sign.	This equals line 3040, with the opposite sign.
4120. Offsets, BA and OL: Offsetting collections from Fed srcs (mand.)		Collection of direct loan subsidy from the program account.	Collections of loan guarantee subsidy from the program account.
4122. Offsets, BA and OL: Offsetting collections from interest on uninvested funds (mand.)			Amount of interest received from Treasury on balances in the account.
4123 Offsets, BA and OL: Offsetting collections from non-Fed srcs (mand.)		Amount of repayments of principal and interest received from borrowers.	
4130. Offsets against gross budget authority and outlays (mand.) (total)		Sum of lines 4120-4123.	Sum of lines 4120-4122.
4140. Offsets, BA only: Change in uncoll cust payments from Fed srcs (unexpired) (mand.) (+ or -)		The change in direct loan subsidy obligated but not yet received from the program account.	The change in direct loan subsidy obligated but not yet received from the program account.
4160. Budget authority, net (mand.)		Sum of lines 4090, 4120, 4123 and 4140.	Sum of lines 4090, 4120, 4122 and 4140.
4170. Outlays, net (mand.)		Sum of lines 4110, 4120 and 4123.	Sum of lines 4110, 4120 and 4122.
4180. Budget authority, net (disc. and mand.)	This line should equal line 4070 (disc.).	This line should equal line 4160 (mand).	This line should equal line 4160 (mand).
4190. Outlays, net (disc. and mand.)	This line should equal line 4080 (disc.).	This line should equal line 4170 (mand.).	This line should equal line 4170 (mand.).

APPENDIX F—FORMAT OF SF 132 AND SF 133

OMB is in the process of realigning the sections of the Report on Budget Execution and Budgetary Resources (SF 133), Apportionment and Reapportionment Schedule (SF 132), and Program and Financing schedule that share common data elements. This is being done on a phased basis, beginning with the SF 133, which will be prepared on the new basis for FY 2010. Agencies will switch to the new format when reporting first quarter SF 133s in January 2010. *For the remainder of FY 2009, agencies should continue to use the budget execution guidance contained in Part 8 of this Circular*. During the transition period, SF 133s and SF 132s will use different formats.

This advance guidance reflects the realigned line entries on the SF 133. It was first issued in May 2009.

Summary of Changes

Clarifies that returns of cash advances and other offsetting collections received in prior fiscal years are recorded as obligations and outlays in the current fiscal year.

Clarifies the treatment of excess amounts of spending authority from offsetting collection used to liquidate contract authority when the excess cash amounts are not available for new obligations.

Modifies line entries for advance appropriations, direct and reimbursable obligations, and additional offsets against gross budget authority.

A. *Budgetary Resources—Format of SF 132*

Use the entries in the following table to prepare the "Budgetary Resources" section of the SF 132, Apportionment and Reapportionment Schedule (for unexpired accounts only).

Entry	Description
Line 1. Unobligated balance, start of year:	
A. Brought forward, October 1 (+ or –)	Amount of unobligated balance brought forward from prior fiscal years as of October 1 of the current fiscal year that is *available for obligation* as defined in section 20.4(f). Applies only to no-year and unexpired multiple-year accounts, therefore do *not* include amounts not available for obligation. Include reductions of these prior year balances enacted in the current year on SF 132 lines 5 or 6B. If you apportion balances brought forward from prior years before the actual balance is known, include an estimated amount on this line, and include the actual balance in the next reapportionment request. When completing an apportionment, you must use a line split of E to indicate the balance is an Estimate or a line split of A to indicate the use of an Actual balance. The amount on this line should be the same as the *end of year amounts* of the previous fiscal year:

Entry	Description
	• On lines 2201, 2202, 2301, 2302, 2401, 2402, and 2403 of the September 30 SF 133; • In the Treasury Combined Statement Appendix; and • In the past year column of the Program and Financing Schedule of the Budget Appendix. If the account is apportioned by time periods and the difference between the estimate and the actual is within the range of adjustment permitted by section 120.38, adjust the apportionments accordingly. If the difference is greater, OMB must approve a request for reapportionment before the funds that are greater than the automatic apportionment can be obligated. *Indefinite budget authority*.—Do not carry forward any amounts on this line for (1) indefinite appropriations except for available special and trust fund receipts; (2) indefinite borrowing authority; or indefinite contract authority. *Appropriated receipts*.—Do not include the balances of unavailable collections that were precluded from obligation due to a provision of law, such as a benefit formula or limitation. See lines 3A1 and 5. Normally, this is a positive amount. A negative amount indicates a deficiency in the prior fiscal year.
B. Adjustment to unobligated balance brought forward, October 1 (+ or –)	Changes to unobligated balances that occurred in a prior fiscal year and that were not recorded in the unobligated balance as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's Financial Management Service (FMS) will review the Fund Balance with Treasury (FBWT) component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a Treasury Appropriation Fund Symbol (TAFS) that round to $1 million or more. This range includes amounts greater than or equal to $500,000. Agencies should generally exclude reclassifications from clearing accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years that were not outlayed as reported on SF 133 line 1021; • Upward adjustments of obligations previously incurred as reported on detailed SF 133 lines 2001 through 2103; and

Entry	Description
	• Refunds collected from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on SF 133 lines 1700 and 1800.
Line 2. Recoveries of prior year unpaid obligations:	
A. Actual	Amount of any cancellations or downward adjustments of obligations incurred in *prior fiscal years* that were *not outlayed.* Include the adjustments since October 1 of the current year. Show the actual recoveries, as shown on the SF 133, on reapportionment requests. Include recovered amounts obligated against *indefinite* borrowing authority that was borrowed. Then subtract the same amount on line SF 132 6C. Include recovered amounts obligated against *indefinite* borrowing authority that was *not* borrowed. Then subtract the same amount on SF 132 line 6D. Include recovered amounts obligated against *indefinite* contract authority that was funded or *unfunded* contract authority. Then subtract the same amount on SF 132 line 6D. Exclude any cancellations or downward adjustments of obligations incurred and outlayed in prior fiscal years since they must be accompanied by cash refunds. Cash refunds collected (i.e., recoveries of prior year obligations incurred and outlayed in prior fiscal years) are to be included on SF 132 line 3D1a. If a recovery is significant, you may want to explain in a footnote. Exclude any adjustments to current year beginning balance recorded on SF 132 lines 1B.
B. Anticipated	Amount of the current estimate of additional recoveries of prior fiscal year obligations anticipated in unexpired accounts for the remainder of the fiscal year. For no-year and multi-year accounts, there may be amounts on this line after the first fiscal year. For unexpired annual accounts, leave SF 132 lines 2A and 2B blank.
Line 3. Budget authority:	
A. Appropriation 1. Actual	Amount of appropriations specified in appropriations acts or in substantive laws that become available for obligation on or after October 1 of the fiscal year. The following paragraphs describe the application of the above principles to specific circumstances: *Regular appropriations.*—Amounts made available in any of the 13 regular appropriations acts. In cases where the amount appropriated is reduced by an amount of offsetting collections or revenues during the fiscal year so as to result in a final fiscal year appropriation estimated at not more than XXX, the amount derived from the General Fund of the U.S. Treasury shown on this line should be reduced by the amount of offsetting collections or revenues received during the fiscal year on the September 30 SF 133. See exhibit 130M.

Entry	Description
	Supplemental appropriations.—Amounts made available in supplemental appropriations acts.
	Reappropriations. — Amount of new budget authority resulting from legislation enacted after the law that provided the budget authority and that extends the period of availability of funds that have expired or would otherwise expire. Such extensions of availability are counted as new budget authority in the first year of the extended availability (see sections 20.4(h) and 121.10). Amounts in the gaining account in the year of which they become newly available for obligation. The losing account has expired; therefore, no reapportionment action is needed for the losing account.
	Appropriation provided under a continuing resolution.—The annualized level of the appropriation. If the continuing resolution is for less than the full year, subtract the portion not available on SF 132 line 5. See exhibits 121H and 121I.
	When the regular appropriations act is passed, replace the amount on this line with the amount specified in the regular appropriations act. See exhibit 121J.
	Advance appropriation.—Include in the first fiscal year in which the amounts become available for obligation. For example, if you received advance appropriations for fiscal year 2011 in the regular annual appropriations act for fiscal year 2010, then include the advance appropriation on this line for the fiscal year 2011.
	Forward funding.—Include the amount appropriated on this line even though the funds may not become available until July 1st.
	Advance funding.—Include the portion that will be obligated in the current year on this line. Exclude the amount obligated last year.
	Appropriated receipts.—Collections deposited in special and trust fund receipt accounts that are earmarked for special and trust fund expenditure accounts. Of these amounts: • Some receipts are *appropriated* and are available for obligation. Include the amounts *collected in the current fiscal year* on this line. • Some receipts are *appropriated, but a portion is precluded from obligation* by a provision of law, such as a benefit formula or limitation. Include the amounts *collected in the current fiscal year* on this line. Subtract the amounts that are that are not expected to be available as a negative amount on SF 132 line 5. See exhibits 121P and 130L. • Some receipts were collected in a previous fiscal year and precluded from obligation in a previous fiscal year. Include the amounts expected to become available pursuant to law during the fiscal year on this line. • Some receipts are *not appropriated*. Exclude these amounts from this line.
	NOTE: In exceptional cases, there is authority in law to invest collections. In such cases, the current year collections shown on SF 132 line 5; and prior year collections that were precluded from obligation (not shown on the SF 132) will not be available for obligation (and will

Entry	Description
	not be included on the SF 132 and SF 133 until needed to incur obligations) but will be available for investment. Unlike OMB, Treasury classifies these funds as "available."
	Some laws that make appropriated receipts available for obligation specify the amount appropriated. These are *definite appropriations*. Other laws that make appropriated receipts available for obligation do not specify the amount appropriated. These appropriated receipts are *indefinite appropriations*. For indefinite appropriations of appropriated receipts, follow the instructions for appropriated receipts.
	Indefinite appropriations other than from appropriated receipts.—Amount certified by appropriation warrants for the year, after being reduced by negative warrants issued by the Treasury or end-of-year statements.
	Appropriations contingent upon authorizing legislation or upon designation as an emergency.—When an appropriations act specifies that all or a portion of the amount appropriated is not available for obligation until specifically authorized by another law, or are not available for obligation until the President submits a budget request to the Congress designating the amount as an emergency: • Include the *full amount* of the appropriation on SF 132 line 3A1, and • Subtract the amount *not* authorized by law or *not designated* as emergency requirements by the President on SF 132 line 5. • At the beginning of the next fiscal year, any unobligated balance that is still contingent and would still be available for new obligations if the contingency is met will be included on SF 132 line 1A and subtracted on SF 132 line 5 as unavailable until either the authorizing legislation is enacted or the amount is designated by the President. This paragraph does not apply to contingent emergency appropriations enacted in FY 1999 or earlier. • With the expiration of section 251 of the Budget Enforcement Act, there is no longer a statutory procedure for “emergency” declarations. For releases of previously appropriated funding made contingent on the President taking additional action, agencies should contact their OMB representative.
	Contingent emergency appropriations from FY 1999 and prior years.—If the President designates a contingent emergency appropriation *from FY 1999 or a prior year* as emergency requirements, include the amount on this line in the year of the Presidential designation.
	Appropriations to liquidate debt.—Appropriations that are available to repay amounts borrowed from the Treasury but are not available to incur obligations. Include the appropriation to liquidate debt on this line and the repayment to Treasury on SF 132 line 6C, as a negative. Include any excess on line SF 132 6D, as a negative.
	Appropriations to liquidate deficiencies.—Appropriations that are available to liquidate obligations in excess of budgetary resources but are not available to incur obligations. Include the appropriation to liquidate deficiencies on this line. This should cover the deficiency (reflected as a negative unobligated balance carried forward on SF 132

Entry	Description
	line 1A). This applies to unexpired and expired accounts. Normally, there are no excess amounts because these appropriations are requested after the deficiency is known, whereas, the agencies normally budget for appropriations to liquidate debt and appropriations to liquidate contract authority. *Appropriations to liquidate contract authority*.—Typically, these are separate appropriations of liquidating cash in appropriations acts and an amount equal to the appropriation to liquidate is shown as a negative on SF 132 line 6E Thus, the total budgetary resources on SF 132 line 7 equal zero. See exhibit 121O. Occasionally, these appropriations include the authority to liquidate obligations where anticipated offsetting collections have not been realized. The amounts are available to liquidate contract authority but are not available for obligation. Include such appropriations to liquidate contract authority on this line. Include any excess amounts on SF 132 line 6D as a negative. *Appropriations substituted for borrowing authority*.—Occasionally, portions of appropriations are available to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. The amounts are available to liquidate obligations but are not available for obligation. Include such portion substituted for borrowing authority on this line. Include an amount equal to the portion of appropriation substituted for borrowing authority on SF 132 line 6D as a negative. Thus, the budgetary resources on SF 132 line 7 equal zero. Appropriations of Specific Amounts of which "Not to Exceed" a Portion Remains Available Beyond the Remainder of the Appropriation. See details following the description of SF 132 line 7. *Interest on the public debt.* See details following the description of SF 132 line 7.
2. Anticipated	Include: • Amount of indefinite appropriations anticipated to become available under existing law for the remainder of the fiscal year. On the SF 133, this amount may differ from the amount on the latest SF 132 to the extent it is a more current estimate. • Anticipated collection of available receipts. • Anticipated amount from indefinite appropriations other than from appropriated receipts to be reduced by negative warranted issued by the Treasury or end-of-year statements. Do not include: • Indefinite appropriations included on SF 132 line 3A1. • Anticipated, un-enacted supplemental appropriations. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on SF 132 lines 3A1 and 3A2 in a footnote.
B. Borrowing authority	Amount of new borrowing authority, primarily from the Treasury, to finance obligations and outlays. Include the amount becoming

Entry	Description
	available for obligation on or after October 1 of the fiscal year. *Definite borrowing authority.*—Include the amount specified in law. *Indefinite borrowing authority.*—Include an estimate of the amount to be obligated during the fiscal year. *Repayment of principal and interest*.—Include the repayment of principal, as a negative, on SF 132 line 6C after including estimated interest obligations on SF 132 line 8. *Appropriation to liquidate debt*.—Do not include these appropriations on this line. Include this authority on SF 132 line 3A1. It is provided when proceeds to the account are insufficient to repay borrowing. If a portion of the appropriation to liquidate debt is not needed, include the amount (as a negative) on SF 132 line 6D. *Direct loan financing accounts*.—Include the amount of new borrowing authority needed to finance the part of direct loan obligations not financed by subsidy payments from the program account and fees from borrowers. *Guaranteed loan financing accounts*.—Include the amount of new borrowing authority needed to cover any default claims and other cash outflows that cannot be financed by unobligated balances.
C. Contract authority	Amount of new contract authority to incur obligations that typically will require a separate appropriation of liquidating cash before payments can be made. Occasionally, contract authority is provided in anticipation of receiving offsetting collections. Include the amount becoming available on or after October 1 of the fiscal year. *Definite contract authority*.—Include the amount specified in law. *Indefinite contract authority.*—Include an estimate of the amount to be obligated during the year. *Appropriation to liquidate contract authority*.—Do not include on this line. Include on SF 132 line 3A1. If a portion of the appropriation to liquidate contract authority is not needed, then include the amount (as a negative) on SF 132 line 6D.
D. Spending authority from offsetting collections (gross):	For initial apportionments, include anticipated collections on SF 132 lines 3D3 or 3D5c, as appropriate. If the account is reapportioned during the year, include actual amounts on SF 132 lines 3D1, 3D2, 3D5a, and 3D5b and anticipated amounts on SF 132 lines 3D3 or 3D5c. *Special and trust fund accounts*.—Include offsetting collections for reimbursable work and payments from Federal funds when specifically authorized by law. Exclude *appropriated receipts* which should be included on SF 132 line 3A1.
1. Earned:	
a. Collected	Amount of *reimbursements or other income earned and collected* to date during the current fiscal year, including those for revolving funds. Include *collections of receivables* in either the net unpaid obligations or the unobligated balances brought forward, if any.

Entry	Description
	Include *refunds collected* from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligation. This represents one type of recoveries of prior year obligations. For recoveries of prior year unpaid obligations, see SF 132 line 2. Include spending authority from offsetting collections *earned and collected* to liquidate the contract authority. Include the collections to liquidate the contract authority on SF 132 line 6D, as a negative. To return an offsetting collection received in a prior fiscal year, obligate and outlay the amount in the current fiscal year. Include portion of spending authority from offsetting collections *earned* and *collected* that is substituted for borrowing authority to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. Include the collections to liquidate the borrowing authority on SF132 line 6D, as a negative. Exclude cash refunds of amounts obligated and outlayed during the current year. For credit financing accounts, include the subsidy collected from the program account when loans are disbursed. Exclude any adjustments to current year beginning balances recorded on SF 132 line 1B.
b. Change in receivables from Federal sources	Amount of reimbursements from another Federal Government account that is *earned, but not collected*, to date during the current fiscal year, including those for revolving funds. If during the fiscal year, the amount is collected, move the amount to SF 132 line 3D1a, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. Federal agencies should only write-off accounts receivable from a Federal source under limited circumstances. Those circumstances include: denial from Congress on requests for appropriations in order to satisfy the accounts receivable (supplemental or deficiency appropriations) or if a write-off is recommended by the Chief Financial Officer Council's Intragovernmental Dispute Resolution Committee (refer to Treasury Financial Manual Bulletin 2007-03 titled Intragovernmental Business Rules) or OMB. If the Federal agency is permitted to write-off account receivables from a Federal source, this action reduces the total budgetary resources available in the TAFS. If sufficient budgetary resources are not available to cover the obligations incurred in the TAFS, refer to section 145 of OMB Circular No. A-11 for further action to take.
2. Change in unfilled customer orders (+ or –):	
a. Advance received	Amount of increase (+) or decrease (–) from October 1 in *unfilled orders* on hand *accompanied by an advance.* During the fiscal year, as orders are filled, move the amounts earned to SF 132 line 3D1a, above.

Entry	Description
	To return a cash advance received in a prior fiscal year, obligate and outlay the advance in the current fiscal year.
b. Without advance from Federal sources	Amount of increase (+) or decrease (–) from October 1, in unfilled orders on hand from other Federal Government accounts, that are valid obligations of the ordering account and are *not* accompanied by an advance. During the fiscal year, as orders are filled, move the amounts earned to SF 132 line 3D1b, above.
3. Anticipated for rest of year	Amount of the current estimate of anticipated collections (for example, anticipated orders from Federal sources or anticipated refunds) expected for the remainder of the year. For direct loan financing accounts, include a current estimate for the rest of the year of the loan subsidy anticipated from the program account. Deposit advances (as defined in section 20.11) without orders from Federal customers in budget clearing account F3885 "Undistributed intergovernmental payments" until an order is received. Deposit advances without orders from non-Federal customers in deposit fund X6500 "Advances without orders from non-Federal sources." OMB must approve all exceptions.
4. Previously unavailable:	*Previously precluded or unappropriated*.—Amount of offsetting collections collected in the previous year but precluded from obligation or was unappropriated in a previous fiscal year. Include the amounts expected to become available pursuant to law during the fiscal year on this line. *Previously temporarily reduced*.—Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law taken from more than one account, and the agency head or other Executive Branch official was authorized to distribute the reduction to affected accounts. Include the amounts on this line in the fiscal year in which the amount is needed.
5. Expenditure transfers from trust funds:	
a. Collected	Amount of expenditure transfers from a trust fund account to a Federal fund account, pursuant to appropriations or other laws, to fund the activities of an agency that are (or would be) normally funded in a Federal fund account. In exceptional cases, this includes expenditure transfers from a Federal fund or trust account to a trust fund account. For example, one exception to this rule is Social Security Administration's Limitation on Administrative Expenses where the expenditure transfers are from general or trust fund accounts to a trust fund account. Another exception to this rule is for credit reform where the expenditure transfers are from (1) the program account to a financing account or (2) financing account to a liquidating account where the source of the funding for either situation is derived from trust fund receipts. *Exceptions must be pre-approved by OMB.* Exclude collections from trust fund accounts for reimbursable work. Include such reimbursable amounts on SF 132 lines 3D1, 3D2, or 3D3, as appropriate.

Entry	Description
	Exclude any adjustments to current year beginning balances recorded on SF 132 lines 1B.
b. Change in receivables from trust funds	Amount of expenditure transfers from a trust fund account to a Federal fund account is *authorized by law, but not collected*, to date during the current fiscal year. If during the fiscal year, the amount is collected, move the amount to SF 132 line 3D5a, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. Amounts reported as an accounts receivable from a trust fund must be accompanied by a valid accounts payable from that trust fund account. These receivables should be included in either the net unpaid obligations or the unobligated balances at the end of the fiscal year. Federal agencies should only write-off accounts receivable from a Federal source under limited circumstances. Those circumstances include: denial from Congress on requests for appropriations in order to satisfy the accounts receivable (supplemental or deficiency appropriations) or if a write-off is recommended by the Chief Financial Officer Council's Intragovernmental Dispute Resolution Committee (refer to Treasury Financial Manual Bulletin 2007-03 titled Intragovernmental Business Rules) or OMB. If the Federal agency is permitted to write-off accounts receivables from a Federal source, this action reduces the total budgetary resources available in the TAFS. If sufficient budgetary resources are not available to cover the obligations incurred in the TAFS, refer to section 145 of OMB Circular No. A-11 for further action to take.
c. Anticipated	Amount of expenditure transfers anticipated for the remainder of the year.
Line 4. Nonexpenditure transfers, net:	
A. Actual transfers, budget authority (+) or (–)	Net amount of budget authority enacted for the fiscal year that is *actually* transferred to (+) or from (–) the account under existing legislation. Normally, the entries on this line are transfers of *new budget authority*; however, there is an exception. The transfers of *unobligated balances* that result from legislation that changes the *purpose* for which the balances are available are included on this line. Transfers of all other *balances* are included on SF 132 line 4C. The entries on this line are nonexpenditure transfers between two Federal Government accounts. (The treatment of nonexpenditure transfers is explained in section 20.4(j) (4).) NOTE: All transfers between Federal funds (accounts that are not trust funds; i.e., general, special, management, and revolving funds) and trust funds are treated as expenditure transfers. See section 20.4(j) (4) for additional information. In the footnotes, list the individual accounts from which and to which the *transfers have been made*. Specify the amount actually transferred to (+) and from (–) each account.

Entry	Description
B. Anticipated transfers, budget authority (+) or (–)	Include the current estimate of any new budget authority anticipated to be transferred to (+) or from (–) the account under existing legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Transfers that have been made and included on SF 132 line 4A. • Anticipated transfers that require legislation. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on SF 132 lines 4A and 4B in a footnote.
C. Actual transfers, unobligated balances (+) or (–)	*For unexpired accounts only*: Net amount of any unobligated balance that is *actually transferred* to (+) or from (–) the account. *For expired to unexpired accounts:* Net amount of any expired unobligated balance *actually transferred* from (–) an expired account to (+) an unexpired account resulting from legislation other than newly enacted authority that extends the period of availability of general funds. Also, amount of any expired expenditure transfers receivable *transferred* from (–) an expired account to (+) an unexpired account. *For unexpired accounts, and expired to unexpired accounts:* Do not include transfers required or permitted by law from trust funds to Federal funds. (These transfers will be reported on SF 132 line 3D5.) The transactions included on this line are transfers of balances other than balances of new budget authority. Do not include transfers of balances that result from legislation that changes the *purpose* for which the balances are available. Transfers of such balances should be included on SF 132 line 4A. The transactions included on this line are nonexpenditure transfers. NOTE: The treatment of expenditure transfers is explained in section 20.4(j) (4). In the footnotes, list the individual accounts from which and to which the *transfers have been made*. Specify the amount actually transferred to (+) and from (–) each account.
D. Anticipated transfers, unobligated balances (+) or (–)	Amount of the current estimate of any balances, other than balances of new budget authority, *to be transferred* to (+) or from (–) the account under *existing* legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation."

Entry	Description
	Do not include: • Anticipated transfers to fund activities of a Federal agency that require legislation. • Transfers required or permitted by law from trust funds to Federal funds; these are reported on SF 132 line 3D5.
Line 5. Temporarily not available pursuant to Public Law ____ (–)	Amount of budgetary resources temporarily not available for obligation pursuant to a specific provision in law. This is a negative amount. The following paragraphs describe the application of the above principles to specific circumstances: • *Appropriations provided by a part-year continuing resolution.*—When an account is operating under a part-year continuing resolution, include, as a negative amount, the portion of the annualized level included on SF 132 line 3A1 that is not available for obligation under the terms of the continuing resolution. • *Reductions.*— — Amount of enacted account-specific rescissions and cancellations including rescissions and cancellations of new appropriations, borrowing authority, contract authority, and prior year balances. — Amount of across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be reduced from more than one account and authorizes the agency head or other Executive Branch official to distribute the reduction to affected accounts. *This applies to only temporary reductions for appropriations from appropriated receipts in special and trust funds and spending authority from offsetting collections not returned to the general fund of the Treasury but available for subsequent appropriation. Include amounts returned to unavailable receipt accounts.* *When completing an apportionment you must use a line split to identity the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), S (for spending authority from offsetting collections, or U (for unobligated balance).* • *Deferral.*—When a congressionally-initiated deferral of an amount that has been appropriated is enacted, include the amount not available for obligation, as a negative amount, on this line. • *Appropriations contingent upon authorizing legislation.*—Include amount not available for obligation until specifically authorized by another law, as a negative amount. Cite the appropriations act in the stub. The full amount of the appropriation is on SF 132 line 3A1.

Entry	Description
	• *Emergency, contingent appropriations.*—Include amount representing the funds the President has not yet designated as emergency requirements, as a negative amount. The full amount of the appropriation is on SF 132 line 3A1. • *Investments in zero coupon bonds.*—Include investments in zero coupon bonds. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation. In addition, other amounts appropriated for emergencies may also be included if an emergency must exist to make the funds available for obligation, even if a Presidential declaration is not required. • *Appropriated receipts*.—For the September 30 SF 133, include the portion of receipts collected in the current fiscal year in special or trust funds that is precluded from obligation due to a provision of law. The total amount of new receipts is included on line 3A1. • *Limitation on revolving fund*.—Include amount not available for obligation due to a provision of law, such as a limitation on administrative expenses or construction. • *Obligation limitations*.—Include amount by which an obligation limitation reduces the budget resources temporarily (the budget resources remain available after the expiration of the obligation limitation). In addition, include recoveries of prior year obligations and cash refunds of previously appropriated receipts that are available for a subsequent appropriation and are returned to unappropriated receipts. Identify the public law containing the restriction in a footnote. The Impoundment Control Act (2 U.S.C. 683–684) and the Antideficiency Act (31 U.S.C. 1512) are not valid authorizing citations for this line. *When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), S (for spending authority from offsetting collections), or U (for unobligated balance).*
Line 6. Permanently not available:	
A. Cancellations of expired and no-year accounts (–)	Amount of any budgetary resources canceled in no-year accounts pursuant to 31 U.S.C. 1555 or withdrawn.
B. Enacted reductions (–)	Amount of enacted account-specific rescissions and cancellations including rescissions and cancellations of new appropriations, borrowing authority, contract authority, and prior year balances. Amount of across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be reduced from more than one account and authorizes the agency head or other Executive Branch official to distribute the reduction to affected accounts.

Entry	Description
	This line applies to only permanent reductions for budgetary resources returned to the general fund of the Treasury and not available for subsequent appropriation.
	When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), S (for spending authority from offsetting collections), or U (for unobligated balance).
	Identify the public law containing the restriction in a footnote.
C. Capital transfers and redemption of debt (–)	*Capital transfers and Redemption of debt (also known as "liquidation of debt").* Amount transferred to the general fund of the Treasury; that is, deposited to Treasury receipt accounts for "Earnings of Government-owned enterprises" or "Repayments of capital investment, Government-owned enterprises." These are nonexpenditure transfers. Include interest obligations on SF 132 line 8.
	For principal repayments to Treasury for debt outstanding, use collections on SF 132 line 3D and other budgetary resources first to cover interest obligations on SF 132 line 8. Include the balance to repay principal as a negative on this line.
	If the recovered amount on SF 132 line 2 above was obligated against indefinite borrowing authority that was borrowed, then include the repayment to Treasury of the principal amount borrowed, as a negative, on this line. Enter the obligation and payment of interest to Treasury on SF 132 line 8.
	When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), S (for spending authority from offsetting collections), or U (for unobligated balance).
D. Other authority withdrawn (–)	Excess appropriations to liquidate debt and contract authority.—Include amounts withdrawn.
	Spending authority from offsetting collections to liquidate contract authority.—Include cash amounts that are not available for new obligations.
	Borrowing authority.—Do not include repayments of amounts borrowed from Treasury or other entities. Include repayments of principal on SF 132 line 6C. Include obligations to pay interest on SF 132 line 8.
	Portion substituted for borrowing authority.—Include the portion of appropriations or spending authority from offsetting collections used to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised.
	Portion substituted for contract authority.—Include the portion of spending authority from offsetting collections used to replace the contract authority initially obligated against. The spending authority from offsetting collections may include cash, receivables from Federal sources, and unfilled customer orders.
	If the recovered amount on SF 132 line 2A above was obligated against indefinite borrowing authority that was *not* borrowed or *unfunded* contract authority, then include the actual amount recovered, as a negative, on this line.

Entry	Description
	When completing an apportionment you must use a line split to identify the resource being reduced. Use A (for appropriation), B (for borrowing authority), C (for contract authority), or S (for spending authority from offsetting collections).
E. Pursuant to Public Law ___ (–)	Include amounts appropriated that are not available for new obligations pursuant to the appropriations act. For example, appropriations to liquidate contract authority.
	Identify the public law containing the restriction in a footnote.
F. Anticipated rest of year (–)	Estimates of amounts anticipated to be canceled or withdrawn during the remainder of the year for reasons specified for SF 132 lines 6A, 6C and 6D under existing laws. Do not include pending rescissions.
	Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account.
Line 7. Total budgetary resources	Sum of amounts shown on SF 132 lines 1 through 6. This amount represents the total amount of budgetary resources available for apportionment in the fiscal year for which the schedule is being submitted.
	This amount will differ from the amount on line 7 on the latest SF 132 to the extent that individual amounts have changed that do not require the submission of a reapportionment request (see section 120.37).

In a limited number of cases, the following guidance applies to specific Treasury Appropriation Fund Symbols. Affected amounts are included on SF 132 line 3A1:

- *Appropriations of Specific Amounts of which "Not to Exceed" a Portion Remains Available Beyond the Remainder of the Appropriation.* In a limited number of cases, the basic amount of the appropriation is available for one year (or for a fixed amount of time) and the law permits "not to exceed" or "up to" a specific amount to be available for a longer period of time or until expended.

  Initial apportionment requests for these accounts should display the maximum possible amount in the Treasury account with the extended availability and the balance in the Treasury account with the lesser time availability (on this line).

  Note.—Treasury will warrant the full amount in the one-year account. You should move the funds to the account with the extended fund availability using the SF 1151. This movement of funds is not a transfer because the original appropriation is for the extended availability, even though the SF 1151 is titled "Nonexpenditure Transfer of Funds."

  If you subsequently determine that the maximum amount is not needed in the account with the extended availability, you should submit a reapportionment request proposing to transfer the funds to the account of lesser time availability. Show this transfer on SF 132 lines 4A "Actual transfers, budget authority," 4B "Anticipated transfers, budget authority," 4C "Actual transfers, unobligated balances" or 4D "Anticipated transfers, unobligated balances," as appropriate.

  After OMB has approved the transfer, use the SF 1151 to transfer the funds to the account of lesser time availability. Such transfers are irreversible. That is, once the availability of funds is reduced, subsequent apportionments and SF 1151 may not extend the availability of these funds.

- *Interest on the public debt.* For the Interest on the Public Debt account, "interest" includes both the interest paid and the change in interest payable for public issues of Treasury debt securities and for certain special issues (i.e., Government account series) of Treasury debt securities—zero coupon bonds and DoD's Education Benefits Fund, Military Retirement Fund, Defense Cooperation Fund, and Medicare-Eligible Retiree Health Care Fund. The change in interest payable will be warranted when paid.

SCEDHULE OF BUDGETARY RESOURCES

B. *Schedule of Budgetary Resources—Format of SF 133*

Use the entries in the following table to prepare the "Budgetary Resources" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority).

Entry	Description
	UNOBLIGATED BALANCE
1000 Unobligated balance, brought forward, October 1	*For unexpired accounts:* Amount of unobligated balance brought forward from prior fiscal years as of October 1 of the current fiscal year that is *available for obligation* as defined in section 20.4(f). Applies only to no-year and unexpired multiple-year accounts, therefore do *not* include amounts not available for obligation. Include reductions of these prior year balances enacted in the current year on SF 133 lines 1130, 1131, 1132, 1133, 1231, 1232, 1233, 1234, 1320, 1420, 1520, 1521, 1620, 1621, 1722, 1723, 1724, 1822, and 8123. If unobligated balances are used to liquidate deficiencies, report the amount used on line 1901, but do not reduce the amount on line 1000. If you apportion balances brought forward from prior years before the actual balance is known, include an estimated amount on this line, and include the actual balance in the next reapportionment request. When completing an apportionment, you must use a line split of E to indicate the balance is an Estimate or a line split of A to indicate the use of an Actual balance. The amount on this line should be the same as the *end of year amounts* of the previous fiscal year: • On lines 2201 through 2403 of the September 30 SF 133; • In the Treasury Combined Statement Appendix; and • In the past year column of the Program and Financing Schedule of the Budget Appendix. If the account is apportioned by time periods and the difference between the estimate and the actual is within the range of adjustment permitted by section 120.38, adjust the apportionments accordingly. If the difference is greater, OMB must approve a request for reapportionment before the funds that are greater than the automatic apportionment can be obligated. *For indefinite budget authority.* —Do not carry forward any

Entry	Description
	amounts on this line for (1) indefinite appropriations except for available special and trust fund receipts; (2) indefinite borrowing authority; or indefinite contract authority. *For expired accounts:* Amount of expired unobligated balances available for upward adjustments of obligations. Normally, this is a positive amount. A negative amount indicates a deficiency in the prior fiscal year. In the first expired year, the amount should be the same as the amount of unobligated balances on lines 2201 through 2403 of the previous fiscal year's September 30 SF 133. In the second expired year and thereafter, the amount should be the same as the amount on line 2403 of the previous fiscal year's September 30 SF 133. These balances are available only for valid upward adjustments of obligations that were properly incurred against the account during the unexpired phase. *Appropriated receipts*.—Do not include the balances of unavailable collections that are precluded from obligation due to a provision of law, such as a benefit formula or limitation. See SF 133 lines 1700, 1800, 1725, and 1824.
NONEXPENDITURE TRANSFERS OF UNOBLIGATED BALANCE TO OR FROM OTHER ACCCOUNTS:	
1010 Unobligated balance transferred to other accounts (–)	*For unexpired accounts:* Amount of any unexpired unobligated balance that is *actually transferred* from this account to other accounts. Do not report transfers from this account to an expired account on this line. Use SF 133 line 1013 instead. *For expired accounts:* Amount of balances that have been canceled due to reappropriation. Adjustments may be made to reflect enacted reductions that should have been but were not made against an account when it was unexpired. Newly enacted reductions may not be made against an expired account. Identify the public law containing the restriction in a footnote. *For expired to unexpired accounts:* Amount of any expired unobligated balance *actually transferred* from this account to an unexpired account resulting from legislation other than newly enacted authority that extends the period of availability of general funds. Report the expired account on this line and the unexpired account on SF 133 line 1012. Also, amount of any expired expenditure transfers receivable *transferred* from this account to an unexpired account. Report the expired account on this line. See SF 133 lines 1131/1232 for expired balance transfers that are classified as reappropriations on lines 1105/1204. *For expired to expired accounts:* Amount of any expired unobligated balance *actually transferred*

Entry	Description
	from this account to an expired account. Include allocation transfers for expired accounts. *For unexpired accounts, expired to unexpired accounts, and expired to expired accounts:* Do not include transfers of new budget authority on this line. Do not include transfers of balances that result from legislation that changes the purpose for which the balances are available, because such transfers are treated as transfers of new budget authority. Include transfers of new budget authority from this account on SF 133 lines 1120 or 1220 instead. Include only nonexpenditure transfers on this line. Do not include expenditure transfers, including transfers from trust funds to Federal funds required or permitted by law, because they are treated as expenditure transfers. Include expenditure transfers to this account on SF 133 lines 1740 and 1840. The treatment of expenditure transfers is explained in section 20.4(j) (4). In the footnotes, list the individual accounts to which the *transfers from this account have been made*. Specify the amount actually transferred to each of the other accounts.
1011 Unobligated balance transferred from other accounts	*For unexpired accounts:* Include the amount of any unobligated balance that is *actually transferred* to this account from other accounts. Do not report transfers from an expired account to this account on this line. Use SF 133 line 1012 instead. *For expired accounts:* Amount of balances that have been canceled due to reappropriation. Adjustments may be made to reflect enacted reductions that should have been but were not made against an account when it was unexpired. Newly enacted reductions may not be made against an expired account. Identify the public law containing the restriction in a footnote. *For unexpired to expired accounts:* Amount of unexpired unobligated balances transferred from an unexpired account to this account pursuant specific statutory authority (e.g., foreign currency valuations in expired accounts). Report the expired account on this line and the unexpired account on SF 133 1013. This activity is only applicable to Department of Defense. *For expired to expired accounts:* Amount of any expired unobligated balance *actually transferred* to this account from an expired account. Include allocation transfers for expired accounts. *For unexpired accounts, expired to unexpired accounts, and expired to expired accounts:* Do not include transfers of new budget authority on this line. Do not include transfers of balances that result from legislation that

Entry	Description
	changes the purpose for which the balances are available, because such transfers are treated as transfers of new budget authority. Include transfers of new budget authority from this account on SF 133 lines 1121 or 1221 instead. Include only nonexpenditure transfers on this line. Do not include expenditure transfers, including transfers from trust funds to Federal funds required or permitted by law, because they are treated as expenditure transfers. Include expenditure transfers to this account on SF 133 lines 1740 and 1840. The treatment of expenditure transfers is explained in section 20.4(j) (4). In the footnotes, list the individual accounts from which the *transfers have been made*. Specify the amount actually transferred to this account from other accounts.
1012 Expired unobligated balance transfer to unexpired accounts	*For expired to unexpired accounts:* Amount of any expired unobligated balance *actually transferred* from this account to an unexpired account resulting from legislation other than newly enacted authority that extends the period of availability of general funds. Also, amount of any expired expenditure transfers receivable *transferred* from an expired account to an unexpired account. Report the unexpired account on this line. See SF 133 lines 1105/1204 for expired balance transfers that are classified as reappropriations.
1013 Unexpired unobligated balance transfer to expired accounts (–)	*For unexpired to expired accounts:* Amount of unexpired unobligated balances transferred out of this account pursuant specific statutory authority (e.g., foreign currency valuations in expired accounts). Report the unexpired account on this line. This line is only to be used by the Department of Defense.
ADJUSTMENTS TO UNOBLIGATED BALANCE:	
1020 Adjustment to unobligated balance brought forward, October 1 (+ or -)	*For unexpired and expired accounts:* Changes to unobligated balances that occurred in a prior fiscal year and that were not recorded in the unobligated balance as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's Financial Management Service (FMS) will review the Fund Balance with Treasury (FBWT) component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a Treasury Appropriation Fund Symbol (TAFS) that round to $1 million or more. This range includes amounts greater than or equal to $500,000. Agencies should generally exclude reclassifications from clearing

Entry	Description
	accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years that were not outlayed as reported on SF 133 line 1021; • Upward adjustments of obligations previously incurred as reported on detailed SF 133 lines 2001 through 2103; and • Refunds collected from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on lines 1700 and 1800. On the SF 133, material and non-material adjustments to the unobligated balance as of October 1 of the current fiscal year should be included on line 1020. On the Statement of Budgetary Resources, material amounts are part of the unobligated balance as of October 1 of the current fiscal year because the prior year's financial statements are restated. Use only for PY, unless specifically approved by OMB.
1021 Recoveries of prior year unpaid obligations	*For unexpired and expired accounts:* Amount of any cancellations or downward adjustments of obligations incurred in *prior fiscal years* that were *not outlayed.* Include the adjustments since October 1 of the current year. Show the actual recoveries, as shown on the SF 133, on reapportionment requests. Include recovered amounts obligated against *indefinite* borrowing authority that was borrowed. Then subtract the same amount on SF 133 line 1023. Include recovered amounts obligated against *indefinite* borrowing authority that was *not* borrowed. Then subtract the same amount on SF 133 line 1024. Include recovered amounts obligated against *indefinite* contract authority that was funded or *unfunded* contract authority. Then subtract the same amount on SF 133 line 1025. Exclude any cancellations or downward adjustments of obligations incurred and outlayed in prior fiscal years since they must be accompanied by cash refunds. Cash refunds collected (i.e., recoveries of prior year obligations incurred and outlayed in prior fiscal years) are to be included on SF 133 line 1700 or 1800. For upward adjustments, see detailed SF 133 lines 2001 through 2103. Exclude recoveries of current year unpaid obligations, which will be netted against obligations on detailed SF 133 lines 2001 through 2103. If a recovery is significant, you may want to explain in a footnote. Exclude any adjustments to current year beginning balance recorded on SF 133 lines 1020 and 3001. For unexpired annual accounts, leave SF 133 line 1021 blank.

Entry	Description
	For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these obligated balances as canceled, include the amount to be canceled, as a positive. Then, subtract the same amount on SF 133 line 1029, *Other balances withdrawn*.
1022 Capital transfer of unobligated balances to general fund (–)	*For unexpired and expired accounts:* Amount of balances deposited to Treasury capital transfer receipt accounts, such as "Earnings of Government-owned enterprises," or "Repayments of capital investment, Government-owned enterprises." These are nonexpenditure transfers. Don't include interest payments, which should be reported as obligations on detailed SF 133 lines 2001 through 2103. Don't include capital transfers of offsetting collections received during the year, which should be reported on SF 133 lines 1720 and 1820.
1023 Unobligated balances applied to repay debt (–)	*For unexpired and expired accounts:* Amount of balances used for repayment of debt. Do not include appropriations or new offsetting collections used to retire outstanding debt (see lines 1135, 1236, 1726 and 1825). Include obligations to pay interest on detailed SF 133 lines 2001 through 2103. If the recovered amount on line 1021 above was obligated against *indefinite* borrowing authority that was borrowed, then include the repayment to Treasury of the principal amount borrowed, as a negative, on this line. Enter the obligation and payment of interest to Treasury on detailed SF 133 lines 2001 through 2103 and SF 133 lines 4010, 4011, 4100, and 4101 respectively.
1024 Unobligated balance of borrowing authority withdrawn (–) 1025 Unobligated balance of contract authority withdrawn (–)	*For unexpired accounts only:* Use these entries to report withdrawn unobligated balances of indefinite borrowing or contract authority realized in no-year or multiple year accounts through deobligation or downward adjustments of prior year obligations reported on SF 133 lines 1021 and 3080. Note: When new appropriations or spending authority from offsetting collections are used to liquidate obligations initially incurred against borrowing authority, report the amounts on lines 1139, 1239, 1728, or 1827, as appropriate.
1026 Adjustment in unobligated balances for change in allocation	*For unexpired accounts only:* Includes adjustments related to changes in initial allocations of budget authority under limitations in the Social Security Administration and the Department of Health and Human Service. If the initial allocation is increased, enter a positive amount on this line and vice versa.
1027 Adjustment in unobligated balances for change in investments of zero coupon bonds (special and non-revolving trust funds)	*For unexpired accounts only:* Include investments in zero coupon bonds. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation. *Use only for special and non-*

Entry	Description
	revolving trust funds.
1028 Adjustment in unobligated balances for change in investments of zero coupon bonds (revolving funds)	*For unexpired accounts only:* Include investments in zero coupon bonds. At the time the bond is purchased, record an amount equal to the purchase price (par value minus purchase discount) as precluded from obligation. As the discount is amortized and recorded as earnings, record the earnings as precluded from obligation. When the bond matures or is redeemed, all amounts previously precluded from obligation become available for obligation. *Use only for revolving funds.*
1029 Other balances withdrawn (–)	*For unexpired accounts:* Amount of any budgetary resources canceled in no-year accounts pursuant to 31 U.S.C. 1555 or withdrawn. *For expired accounts:* For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these unobligated balances as canceled, remove the amounts from SF 133 lines 2201 through 2403 and include them here, as a negative. To report obligated balances as canceled, include the amount on SF 133 line 1021, as a positive, and on this line as a negative.
1030 Adjustment in foreign exchange valuation for Exchange Stabilization Fund	*For unexpired accounts only:* Revaluation of gains and losses on foreign currency and SDR's in the Exchange Stabilization Fund. This line is only to be used by the Department of Treasury.
1031 Refunds and recoveries temporarily precluded from obligation (special and trust funds) (-)	*For unexpired accounts only:* In addition, include recoveries of prior year obligations and cash refunds of previously appropriated receipts that are available for a subsequent appropriation and are returned to unappropriated receipts.
ANTICIPATED TRANSFERS AND ADJUSTMENTS:	*For unexpired accounts only:* No amounts should be on these lines on the September 30 report.
1040 Anticipated nonexpenditure transfers of unobligated balances (net) (+ or -)	Amount of the current estimate of any balances, other than balances of new budget authority, *to be transferred* to (+) or from (–) the account under *existing* legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Anticipated transfers to fund activities of a Federal agency that require legislation. • Transfers required or permitted by law from trust funds to Federal funds; these are reported on SF 133 lines 1740 and 1840.
1041 Anticipated recoveries of prior year	Amount of the current estimate of additional recoveries of prior

Entry	Description
unpaid obligations	fiscal year obligations anticipated in unexpired accounts for the remainder of the fiscal year. For no-year and multi-year accounts, there may be amounts on this line after the first fiscal year. For unexpired annual accounts, leave SF 133 line 1041 blank.
1042 Anticipated capital transfers and redemption of debt (unobligated balances) (-)	Amount of the current estimate of additional capital transfers and redemption of debt anticipated in unexpired accounts derived from unobligated balances for the remainder of the fiscal year under existing laws.
1050 Unobligated balance, total	Automatically generated from the sum of lines 1000 through 1042, when there are multiple entries on these lines.

Entry	Discre-tionary	Man-datory	Description
			BUDGET AUTHORITY
APPROPRIATIONS:	*For unexpired accounts only:* Use appropriation lines (1100 through 1160 and 1200 through 1260). Do not include advance appropriations reported on SF 133 lines 1170, 1171, 1172, 1270, and 1271.		
	Amount of appropriations specified in appropriations acts or in substantive laws that become available for obligation on or after October 1 of the fiscal year. The following paragraphs describe the application of the above principles to specific circumstances: *Regular appropriations.*—Amounts made available in any of the 13 regular appropriations acts. In cases where the amount appropriated is reduced by an amount of offsetting collections or revenues during the fiscal year so as to result in a final fiscal year appropriation estimated at not more than XXX, the amount derived from the General Fund of the U.S. Treasury shown on this line should be reduced by the amount of offsetting collections or revenues received during the fiscal year on the September 30 SF 133. See exhibit 130N. *Supplemental appropriations*.—Amounts made available in supplemental appropriations acts. *Appropriation provided under a continuing resolution*.—The annualized level of the appropriation. If the continuing resolution is for less than the full year, subtract the portion not available on SF 133 line 1134. See exhibits 121H and 121I. When the regular appropriations act is passed, replace the amount on this line with the amount specified in the regular appropriations act. See exhibit 121J. Some laws that make appropriated receipts available for obligation specify the amount appropriated. These are *definite appropriations*. Other laws that make appropriated receipts available for obligation do not specify the amount appropriated. These appropriated receipts are *indefinite appropriations*. For indefinite appropriations of appropriated receipts, follow the instructions for appropriated receipts. *Appropriations contingent upon authorizing legislation or upon designation as an emergency*.—When an appropriations act specifies that all or a portion of the amount appropriated is not available for obligation until specifically authorized by		

Entry	Discre-tionary	Man-datory	Description

another law, or are not available for obligation until the President submits a budget request to the Congress designating the amount as an emergency:

- Include the *full amount* of the appropriation on SF 133 line 1100, and
- Subtract the amount *not* authorized by law or *not designated* as emergency requirements by the President on line 1134 except on the September 30 SF 133.
- At the beginning of the next fiscal year, any unobligated balance that is still contingent and would still be available for new obligations if the contingency is met will be included on SF 133 line 1000 and subtracted on SF133 line 1134 as unavailable until either the authorizing legislation is enacted or the amount is designated by the President. This paragraph does not apply to contingent emergency appropriations enacted in FY 1999 or earlier.
- With the expiration of section 251 of the Budget Enforcement Act, there is no longer a statutory procedure for "emergency" declarations. For releases of previously appropriated funding made contingent on the President taking additional action, agencies should contact their OMB representative.

Contingent emergency appropriations from FY 1999 and prior years.—If the President designates a contingent emergency appropriation *from FY 1999 or a prior year* as emergency requirements, include the amount on this line in the year of the Presidential designation.

Appropriations to liquidate debt.—Appropriations that are available to repay amounts borrowed from the Treasury but are not available to incur obligations. Include the appropriation to liquidate debt on SF 133 line 1100 or 1200 and the repayment to Treasury on SF 133 line 1135 or 1236, as a negative. Include any excess on SF 133 line 1029, as a negative.

Appropriations to liquidate deficiencies.—Appropriations that are specifically made available to liquidate obligations in excess of budgetary resources and not available to incur obligations. Include appropriations to liquidate deficiencies on SF 133 line 1100 or 1200 as a positive amount and on line 1136 or 1237 as a negative amount. If appropriations that are not specifically made available to liquidate deficiencies (and are otherwise available for obligation) are used to liquidate deficiencies, included the appropriations on SF 133 line 1100 or 1200 as a positive amount and on SF 133 line 1901, as a negative amount. Deficiencies are included on SF 133 lines 7000 through 7020. This applies to unexpired and expired accounts. Normally, there are no excess amounts because these appropriations are requested after the deficiency is known, whereas, the agencies normally budget for appropriations to liquidate debt and appropriations to liquidate contract authority.

Appropriations to liquidate contract authority.—Typically, contract authority is provided to incur obligations in one action by Congress (often in authorizing legislation) and separate appropriations of liquidating cash are provided in appropriations acts. The appropriation to liquidate is shown as a positive amount on SF 133 line 1100 or 1200 and as a negative on SF 133 line 1137 or 1238. Thus, the total budgetary resources on SF 133 line 1910 equal zero. See exhibit 121O. Include any excess amounts on lines 1138 as a negative.

In a few cases, contract authority may be provided in order to permit agencies to incur obligations in anticipation of offsetting collections and appropriations to liquidate the obligations may be provided if the anticipated offsetting collections have not been realized. These appropriations to liquidate should be recorded as described above.

Entry	Discre- tionary	Man- datory	Description
	Appropriations substituted for borrowing authority.—Occasionally, portions of appropriations are available to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. The amounts are available to liquidate obligations but are not available for obligation. Include such portion substituted for borrowing authority on this line. Include an amount equal to the portion of appropriation substituted for borrowing authority on SF 133 line 1139 or 1239 as a negative. Thus, the budgetary resources on SF 133 line 1910 equal zero. Appropriations of Specific Amounts of which "Not to Exceed" a Portion Remains Available Beyond the Remainder of the Appropriation. See details following the description of SF 133 line 1910. *Interest on the public debt.* See details following the description of SF 133 line 1910.		
Appropriation	1100	1200	Amount appropriated, estimated, or requested to be appropriated from the General Fund of the U.S. Treasury. If this is a special fund account that receives an appropriation from the General Fund of the Treasury, include the general fund appropriation on this line. If this is a trust fund account that receives an appropriation from the General Fund of the U.S. Treasury, do not include the general fund appropriation on this line. Such amounts are transferred to the trust fund as an expenditure transfer. Consult with your OMB representative. Include amounts for liquidation of contract authority, debt reduction, and liquidation of deficiencies, when applicable. For indefinite amounts, the past year amount equals the amount certified by appropriation warrants after being reduced by any excess resources returned to the Treasury. Report the amount of emergency appropriations enacted or requested as discretionary appropriations, including amounts that are contingent on the President submitting a budget request to Congress designating the amount as an emergency. *Indefinite appropriations other than from appropriated receipts*.—Amount certified by appropriation warrants for the year, after being reduced by negative warrants issued by the Treasury or end-of-year statements. *Forward funding.*—Include the amount appropriated on this line even though the funds may not become available until July 1st.
Appropriation (special fund)	1101	1201	Amount appropriated or requested to be appropriated from special fund receipts.
Appropriation (trust fund)	1102	1202	Amount appropriated or requested to be appropriated from trust fund receipts.
(For lines 1101, 1102, 1201, and 1202)	*Appropriated receipts*.—Collections deposited in special and trust fund receipt accounts that are earmarked for special and trust fund expenditure accounts. Of these amounts: • Some receipts are *appropriated* and are available for obligation. Include the amounts *collected in the current fiscal year* on this line.		

Entry	Discre-tionary	Man-datory	Description
			• Some receipts are *appropriated, but a portion is precluded from obligation* by a provision of law, such as a benefit formula or limitation. Include the amounts *collected in the current fiscal year* on this line. Subtract the amounts that are that are not expected to be available as a negative amount on SF 133 line 1235 and show this amount on the September 30 report. See exhibits 121P and 130L. • Some receipts were collected in a previous fiscal year and precluded from obligation in a previous fiscal year. Include the amounts expected to become available pursuant to law during the fiscal year on this line. • Some receipts are *not appropriated*. Exclude these amounts from this line. NOTE: In exceptional cases, there is authority in law to invest collections. In such cases, the current year collections and prior year collections (not shown on the SF 132) will not be available for obligation (and will not be included on the SF 132 and SF 133 until needed to incur obligations) but will be available for investment. Unlike OMB, Treasury classifies these funds as "available."
Appropriation (previously unavailable)	n/a	1203	For special and trust funds with mandatory appropriations that are precluded from obligation by provisions of law (see the description of SF 133 line 1235), the amount of budget authority that to expected to become available for obligation pursuant to law from balances of receipts previously unavailable and included in the amounts reported in schedule N (see section 86.4). *Use only with OMB approval*.
Advance funding:			Advance funding is generally used to finance higher than anticipated costs in benefit programs. Include the portion that will be obligated in the current year on this line. Exclude the amount obligated last year. "Appropriation available from subsequent year" and "Appropriation available in prior year (-)" are types of advance funding.
Appropriation available from subsequent year	1103	n/a	Portion of the succeeding year's appropriation made available for obligation as advance funding.
Appropriation available in prior year (–)	1104	n/a	Portion of the appropriation made available for obligation as advance funding in the preceding year.
Reappropriation	1105	1204	Amount of new budget authority resulting from legislation enacted after the law that provided the budget authority and that extends the period of availability of funds that have expired or would otherwise expire. Such extensions of availability are counted as new budget authority in the first year of the extended availability (see sections 20.4(h) and 121.10). Amounts in the gaining account in the year in which they become newly available for obligation. The losing account has expired; therefore, no reapportionment action is needed for the losing account. For the SF 133, the losing account will include a negative amount on SF 133 line 1131 or 1232 of the previous year. Use SF 133 line1012 for expired unobligated balance transfers that are not reported as new budget authority in the unexpired account. Use SF 133 line 1010 for the expired account.

Entry	Discre-tionary	Man-datory	Description
NONEXPENDITURE TRANSFERS OF APPROPRIATIONS TO OR FROM OTHER ACCCOUNTS:			
Appropriations transferred to other accounts (–)	1120	1220	Amount of budget authority enacted for the fiscal year that is *actually* transferred from the account to other accounts under existing legislation that does not involve an obligation or an outlay. Normally, the entries on this line are transfers of *new budget authority*, however, there are exceptions. Use this line to show adjustments in budget authority resulting from: • Transfers under reorganization plans; • Transfers authorized by Congress in lieu of appropriations; or • Transfers where the purpose of the funding has changed. Show transfers of balances for which the purpose has not changed or resulting from general transfer authority on SF 133 line 1010. The entries on this line are nonexpenditure transfers between two Federal Government accounts. (The treatment of nonexpenditure transfers is explained in section 20.4(j) (4).) NOTE: All transfers between Federal funds (accounts that are not trust funds; i.e., general, special, management, and revolving funds) and trust funds are treated as expenditure transfers. See section 20.4(j) (4) for additional information. In the footnotes, list the individual accounts to which the *transfers have been made*. Specify the amounts actually transferred to other accounts.
Appropriations transferred from other accounts (+)	1121	1221	Amount of budget authority enacted for the fiscal year that is *actually* transferred into this account from other accounts under existing legislation that does not involve an obligation or an outlay. Normally, the entries on this line are transfers of *new budget authority*, however, there are exceptions. Use this line to show adjustments in budget authority resulting from: • Transfers under reorganization plans; • Transfers authorized by Congress in lieu of appropriations; or • Transfers where the purpose of the funding has changed. Show transfers of balances for which the purpose has not changed or resulting from general transfer authority on SF 133 line 1011. The entries on this line are nonexpenditure transfers between two Federal Government accounts. (The treatment of nonexpenditure transfers is explained in section 20.4(j) (4).)

Entry	Discre-tionary	Man-datory	Description
			NOTE: All transfers between Federal funds (accounts that are not trust funds; i.e., general, special, management, and revolving funds) and trust funds are treated as expenditure transfers. See section 20.4(j) (4) for additional information. In the footnotes, list the individual accounts from which the *transfers have been made*. Specify the amount actually transferred from other accounts.
ADJUSTMENTS TO APPROPRIATIONS:			
Appropriation permanently reduced (–)	1130	1231	Amount of (1) account-specific rescissions and cancellations of appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Do not include rescissions and cancellations of advance appropriations reported on SF 133 lines 1173 and 1272. Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation.
Unobligated balance of appropriations permanently reduced (–)	1131	1232	Amount of unobligated balances of prior year budgetary resources that are permanently rescinded or canceled. Do not include rescissions and cancellations of contract authority reported on SF 133 lines 1521 and 1621. When legislation defers existing budget authority (or unobligated balances) from a year in which it was available for obligation to a year in which it was not available for obligation, report the deferred amount as a rescission and show reappropriations in the first year of the extended availability. Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation.
Appropriation temporarily reduced (–)	1132	1233	Amount of (1) account-specific rescissions and cancellations of appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Do not include rescissions and cancellations of advance appropriations reported on SF 133 lines 1174 and 1273. Use these lines for temporary reductions in appropriations of special fund receipts and non-revolving fund trust funds receipts, when the amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts.
Unobligated balance of appropriations temporarily reduced (–)	1133	1234	Amount of rescissions and cancellations of unobligated balances of prior year budgetary resources excluding offsetting collections. Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation. Includes amounts returned to unavailable receipt accounts.

Entry	Discre-tionary	Man-datory	Description
Appropriations precluded from obligation (–)	1134	1235	Amount of budgetary resources temporarily not available for obligation pursuant to a specific provision in law. The following paragraphs describe the application of the above principle to specific circumstances: • A*ppropriated receipts*.—For the September 30 SF 133, include the portion of receipts collected in the current fiscal year in special or trust funds that is precluded from obligation due to a provision of law (such as a limitation on obligations or a benefit formula). The total amount of new receipts is included on line 1201 or 1202. This amount is treated as a balance of budgetary resources (see the description of SF 133 line 1203). For special funds that receive discretionary general fund appropriations, use to report amounts precluded from obligation in a fiscal year by a provision of law (such as limitations on obligations). In other words, the amounts of *indefinite appropriations* except for available special and trust fund receipts included on SF 133 lines 1101, 1102, 1201, and 1202 that are *not* needed to cover obligations. • *Appropriations provided by a part-year continuing resolution.*—When an account is operating under a part-year continuing resolution, include, as a negative amount, the portion of the annualized level included on SF 133 lines 1100, 1101 and 1102 that is not available for obligation under the terms of the continuing resolution. Do not include this amount on the September 30 SF 133. • *Deferral.*—When a congressionally-initiated deferral of an amount that has been appropriated is enacted, include the amount not available for obligation, as a negative amount, on this line. Do not include this amount on the September 30 SF 133. • *Appropriations contingent upon authorizing legislation.*—Include amount not available for obligation until specifically authorized by another law, as a negative amount. Cite the appropriations act in the stub. The full amount of the appropriation is on SF 133 lines 1100, 1101 and 1102. Do not include this amount on the September 30 SF 133. • *Emergency, contingent appropriations.*—Include amount representing the funds the President has not yet designated as emergency requirements, as a negative amount. The full amount of the appropriation is on SF 133 lines 1100, 1101 and 1102. Do not include this amount on the September 30 SF 133.

Entry	Discre-tionary	Man-datory	Description
			In addition, other amounts appropriated for emergencies may also be included if an emergency must exist to make the funds available for obligation, even if a Presidential declaration is not required. *Obligation limitations*.—Include amount by which an obligation limitation reduces the budget resources temporarily (the budget resources remain available after the expiration of the obligation limitation). Identify the public law containing the restriction in a footnote. The Impoundment Control Act (2 U.S.C. 683–684) and the Antideficiency Act (31 U.S.C. 1512) are not valid authorizing citations for this line.
Appropriations applied to repay debt (–)	1135	1236	Amount of appropriations used to repay debt. *Redemption of debt (also known as "liquidation of debt")*. Amount of appropriations used for repayment of debt. Do not include balances used to retire outstanding debt (see line1023). Include obligations to pay interest on detailed SF 133 lines 2001 through 2103.
Appropriations applied to deficiency by law (-)	1136	1237	Amount of appropriations specifically applied to eliminate a deficiency incurred in a previous year by law. If appropriations that were not specifically made available to liquidate deficiencies (and are otherwise available for obligation are used to liquidate deficiencies, include the amount used as a negative on line 1901, not on these lines.
Appropriations applied to liquidate contract authority (–)	1137	1238	Amount of appropriations to liquidate contract authority. This amount is not available for new obligations pursuant to the appropriations act. Identify the public law containing the restriction in a footnote.
Appropriations applied to liquidate contract authority withdrawn (–)	1138	n/a	Amount of excess appropriations to liquidate contract authority withdrawn.
Appropriations substituted for borrowing authority (–)	1139	1239	Amount of appropriations used to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised.
ANTICIPATED APPROPRIATIONS:			No amounts should be on these lines on the September 30 report.
Anticipated Appropriation (+ or -)	1150	1250	Amount of indefinite appropriations anticipated to become available under existing law for the remainder of the fiscal year. On the SF 133, this amount may differ from the amount on the latest SF 132 to the extent it is a more current estimate. Anticipated collection of available receipts. Anticipated amount from indefinite appropriations other than from appropriated receipts to be reduced by negative warrants issued by the Treasury or end-of-year statements. Do not include: • Indefinite appropriations included on lines 1100,

Entry	Discre-tionary	Man-datory	Description
			1101, 1102, 1200, 1201, and 1201. • Anticipated, un-enacted supplemental appropriations. Identify the law(s) providing the appropriations included on lines 1100 through 1108, 1150, 1200 through 1206, and 1250 in a footnote.
Anticipated nonexpenditure transfers of appropriations (net) (+ or -)	1151	1251	Include the current estimate of appropriations anticipated to be transferred to this account (+) net of appropriations to be transferred from (–) this account under existing legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Transfers that have been made and included on lines 1120, 1121, 1220, and 1221. • Anticipated transfers that require legislation. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on lines 1120, 1121, 1151, 1220, 1221, and 1251 in a footnote.
Anticipated capital transfers and redemptions of debt (appropriations) (-)	1152	1252	Amount of the current estimate of additional capital transfers and redemption of debt anticipated in unexpired accounts derived from appropriations for the remainder of the fiscal year under existing laws.
Appropriation (total)	1160	1260	Automatically generated from the sum of lines 1100 through 1152, when there are multiple entries on these lines. Automatically generated from the sum of lines 1200 through 1252, when there are multiple entries on these lines.
ADVANCE APPROPRIATIONS:			*For unexpired accounts only:* Use advance appropriation lines (1170 through 1174 and 1270 through 1273).
Advance appropriation Advance appropriation (special fund) Advance appropriation (trust fund)	1170 1171 1172	1270 n/a 1271	Amounts provided in appropriation acts that become available for obligation one fiscal year or more beyond the fiscal year for which the legislation is enacted. Report amount in the year in which it first becomes available for obligation. For example, if you received advance appropriations for fiscal year 2010 in the regular annual appropriations act for fiscal year 2009, then include the advance appropriation on this line for the fiscal year 2010. Use line 1270 for advance appropriations of mandatory budget authority in appropriations acts.

Entry	Discre-tionary	Man-datory	Description
ADJUSTMENTS TO ADVANCE APPROPRIATIONS:			
Advance appropriation permanently reduced (–)	1173	1272	Amount of (1) account-specific rescissions and cancellations of advance appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation.
Advance appropriation temporarily reduced (–)	1174	1273	Amount of (1) account-specific rescissions and cancellations of advance appropriations and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts.
Advance appropriation (total)	1180	1280	Automatically generated from the sum of lines 1170 through 1174, when there are multiple entries on these lines. Automatically generated from the sum of lines 1270 through 1273, when there are multiple entries on these lines.
BORROWING AUTHORITY	*For unexpired accounts only:* Use borrowing authority lines (1300 through 1330 and 1400 through 1430).		
BORROWING AUTHORITY:	Amount of new borrowing authority, primarily from the Treasury, to finance obligations and outlays. Include the amount becoming available for obligation on or after October 1 of the fiscal year. *Definite borrowing authority.*—Include the amount specified in law. *Indefinite borrowing authority.*—Include an estimate of the amount to be obligated during the fiscal year. On the September 30 report, include the portion that is not needed as a negative against SF 133 line 1300 or 1400. *Repayment of principal and interest*.—Include the repayment of principal, as a negative, on SF 133 lines 1023, 1135, 1236, 1726 and 1825. Include estimated interest obligations on detailed SF 133 lines 2001 through 2103. *Appropriation to liquidate debt*.—Include appropriations to liquidate debt on SF 133 line 1100, not on line 1300. Such appropriations are provided when proceeds to the account are insufficient to repay borrowing. *Direct loan financing accounts*.—Include the amount of new borrowing authority needed to finance the part of direct loan obligations not financed by subsidy payments from the program account and fees from borrowers. *Guaranteed loan financing accounts*.—Include the amount of new borrowing authority needed to cover any default claims and other cash outflows that cannot be financed by unobligated balances.		
Borrowing authority	1300	1400	Amount of new obligational authority authorized or requested to be authorized to be liquidated with moneys borrowed from the Treasury or from sources other than Treasury. To the extent that indefinite borrowing authority is used to cover obligations, report borrowing authority for all such obligations even though subsequent appropriations

Entry	Discre-tionary	Man-datory	Description
			or offsetting collections will ultimately be used to liquidate the obligations. On the September 30 report, reduce this amount by the amount of *indefinite* borrowing authority that is *not* needed to cover obligations.
Borrowing authority (12 U.S.C. 2281–96)	n/a	1401	Amount of borrowing authority for direct loan obligations from the Federal Financing Bank. *Use only for liquidating accounts*. On the September 30 report, reduce this amount by the amount of *indefinite* borrowing authority that is *not* needed to cover obligations.
ADJUSTMENTS TO BORROWING AUTHORITY:			
Borrowing authority permanently reduced (–)	1320	1420	Amount of account-specific rescissions and cancellations of borrowing. Report permanent rescissions and cancellations of unobligated balances of borrowing authority on line 1131 (discretionary) or line 1232 (mandatory). Amounts are not available for subsequent appropriation.
ANTICIPATED BORROWING AUTHORITY:			No amount should be on this line on the September 30 report.
Anticipated reductions to current fiscal year borrowing authority (-)	1330	1430	Amount of current estimate of reductions during the fiscal year to borrowing authority.
Borrowing authority (total)	1340	1440	Automatically generated from the sum of lines 1300 through 1330, when there are multiple entries on these lines. Automatically generated from the sum of lines 1400 through 1430, when there are multiple entries on these lines.
CONTRACT AUTHORITY	*For unexpired accounts only:* Use contract authority lines (1500 through 1531 and 1600 through 1631).		
CONTRACT AUTHORITY:	Amount of new contract authority to incur obligations that typically will require a separate appropriation of liquidating cash before payments can be made. Occasionally, contract authority is provided in anticipation of receiving offsetting collections. Include the amount becoming available on or after October 1 of the fiscal year. *Appropriation to liquidate contract authority*.—Do not include on this line. Include on SF 133 lines 1137 and 1238. If a portion of the appropriation to liquidate contract authority is not needed, then include the amount (as a negative) on SF 133 line 1138.		
Contract authority	1500	1600	Amount of new authority to incur obligations in advance of collections or an appropriation to liquidate contract authority. *Definite contract authority*.—Include the amount specified in law. *Indefinite contract authority.*—Include an estimate of the amount to be obligated during the year. On the September 30 report, reduce the amount on lines 1500 and 1600 for the portion that is not needed to cover obligations.

Entry	Discre-tionary	Man-datory	Description
NONEXPENDITURE TRANSFERS OF CONTRACT AUTHORITY TO OR FROM OTHER ACCCOUNTS:			
Transferred to other accounts (–)	1510	1610	Amount of contract authority transferred to other accounts. In the footnotes, list the individual accounts to which the *transfers have been made*. Specify the amount actually transferred to other accounts.
Transferred from other accounts (+)	1511	1611	Amount of contract authority transferred from other accounts to this account. In the footnotes, list the individual accounts from which the *transfers have been made*. Specify the amount actually transferred from other accounts.
ADJUSTMENTS TO CONTRACT AUTHORITY:			
Contract authority permanently reduced (–)	1520	1620	Amount of (1) account-specific rescissions and cancellations of contract authority and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Amounts are not available for subsequent appropriation.
Unobligated balance permanently reduced (–)	1521	1621	
Portion precluded from obligation (limitation on obligations) (–)	1522	n/a	Amount of contract authority precluded from obligation in a fiscal year by a limitation on obligations. *Use only with OMB approval.*
ANTICIPATED CONTRACT AUTHORITY:			No amounts should be on these lines on the September 30 report.
Anticipated nonexpenditure transfers of contract authority (net) (+ or -)	1530	1630	Include the current estimate of contract authority anticipated to be transferred to (+) this account net of contract authority to be transferred from (–) this account under existing legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Transfers that have been made and included on SF 133 lines 1510, 1511, 1610 and 1611. • Anticipated transfers that require legislation. Identify the law(s) providing the appropriations included on SF 133 lines 1510, 1511, 1530, 1610, 1611 and 1630 in a footnote.
Anticipated adjustments to current year contract authority (+ or -)	1531	1631	Amount of current estimate of reductions or increases during the fiscal year to contract authority. This also includes the estimated liquidation of contract authority from offsetting collections.
Contract authority (total)	1540	1640	Automatically generated from the sum of lines 1500 through 1531, when there are multiple entries on these lines.

Entry	Discre-tionary	Man-datory	Description
			Automatically generated from the sum of lines 1600 through 1631, when there are multiple entries on these lines.
SPENDING AUTHORITY FROM OFFSETTING COLLECTIONS			As a general rule, classify spending authority from offsetting collections as discretionary if the collections are credited to accounts classified as discretionary by the BEA and as mandatory if the collections are credited to accounts classified as mandatory under the BEA.

SPENDING AUTHORITY FROM OFFSETTING COLLECTIONS:

On these lines, include spending authority from offsetting collections credited to expenditure accounts by law. In most cases, these lines apply to general fund expenditure accounts, revolving funds, and trust revolving funds. In a few cases, offsetting collections for reimbursable work and payments from Federal funds may be specifically authorized by law to be credited to special fund expenditure accounts and non-revolving trust fund expenditure accounts, in which case, these lines should be used to report such amounts. Also, for special fund expenditure accounts and non-revolving trust fund expenditure accounts, include on these lines refunds collected from prior year obligations that have been outlayed to the account charged with the original obligation. Do not include appropriated receipts, which should be included on lines 1101, 1102, 1201 and 1202.

Exclude *appropriated receipts* which should be included on SF 133 lines 1101, 1102, 1201, and 1202.

Entry	Discre-tionary	Man-datory	Description
Collected	1700	1800	*For unexpired and expired accounts:* Amount of *reimbursements or other income earned and collected* to date during the current fiscal year, including those for revolving funds. Include *collections of receivables* in either the net unpaid obligations or the unobligated balances brought forward, if any. Include *refunds collected* from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligation. This represents one type of recoveries of prior year obligations. For recoveries of prior year unpaid obligations, see SF 133 line 1021. To return a cash advance or other offsetting collection received in a prior fiscal year, obligate and outlay the amount in the current fiscal year. Amount of increase (+) or decrease (–) from October 1 in *unfilled orders* on hand *accompanied by an advance.* Amount of expenditure transfers from a trust fund account to a Federal fund account, pursuant to appropriations or other laws, to fund the activities of an agency that are (or would be) normally funded in a Federal fund account. In exceptional cases, this includes expenditure transfers from a Federal or trust fund account to a trust fund account. For example, one exception to this rule is Social Security Administration's Limitation on Administrative Expenses where the expenditure transfers are from general or trust fund accounts to a trust fund account. Another exception to this rule is for credit reform where the expenditure transfers are from (1) the program account to a financing account or

Entry	Discre-tionary	Man-datory	Description
			(2) financing account to a liquidating account where the source of the funding for either situation is derived from trust fund receipts. *Exceptions must be pre-approved by OMB.* Report offsetting collections *earned and collected* even if they are used to liquidate the contract authority, rather than provided new spending authority. Include the collections as a positive amount on SF 133 line 1700 or 1800 and as a negative amount on SF 133 line 1727 or 1826. Report offsetting collections *earned* and collected even if they are used liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised. Include the collections as a positive amount on SF 133 line 1700 or 1800 and as a negative amount on SF 133 lines 1728 and 1827. Exclude cash refunds of amounts obligated and outlayed during the current year. For SF 133, these should be netted against the appropriate detailed SF 133 lines 2001 through 2103 and lines 4010, 4011, 4100, and 4101. For credit financing accounts, include the subsidy collected from the program account when loans are disbursed. Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1020 and 3011. For annual accounts and the last year of multi-year accounts, advanced received on this line should reflect *obligated amounts* only on the September 30 report. For no-year accounts, amounts on this line may remain unobligated on the September 30 report. See section 130.9 for further details on Economy Act transactions involving different periods of availability. *For expired accounts:* Amount of decrease (–) from October 1 in *unfilled customer orders* on hand *accompanied by an advance.* Amount of collections of receivables included in either the net unpaid obligations or the unobligated balances brought forward, if any. Include collections from trust fund accounts for reimbursable work. Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1020 and 3011.
Change in uncollected customer payments from Federal sources (+ or -)	1701	1801	Amount of increase (+) or decrease (–) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year. *For unexpired accounts:* Amount of reimbursements from another Federal Government account that is *earned, but not collected*, to date during the current fiscal year, including those for revolving

Entry	Discre-tionary	Man-datory	Description
			funds. If during the fiscal year, the amount is collected, move the amount to SF 133 lines 1700 and 1800, above. Amount of expenditure transfers from a trust fund account to a Federal fund account is *authorized by law, but not collected*, to date during the current fiscal year. If during the fiscal year, the amount is collected, move the amount to SF 133 lines 1700 and 1800, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. Amount of increase (+) or decrease (–) from October 1, in unfilled orders on hand from other Federal Government accounts, that are valid obligations of the ordering account and are *not* accompanied by an advance. For annual accounts and the last year of multi-year accounts, unpaid, unfilled orders from Federal sources on this line should reflect *obligated amounts* only on the September 30 report. For no-year accounts, unpaid, unfilled orders from Federal sources on this line may remain unobligated on the September 30 report. See section 130.9 for further details on Economy Act transactions involving different periods of availability. *For expired accounts:* For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative, the decrease in reimbursable receivables. Also include, as a negative, receivables written off. Amount of decrease (–) from October 1, in unfilled customer orders on hand from other Federal Government accounts that are valid obligations of the ordering account and are *not* accompanied by an advance. *For unexpired and expired accounts:* Amounts reported as an accounts receivable from a trust fund must be accompanied by a valid accounts payable from that trust fund account. These receivables should be included in either the net unpaid obligations or the unobligated balances at the end of the fiscal year. Federal agencies should only write-off accounts receivable from a Federal source under limited circumstances. Those circumstances include: denial from Congress on requests for appropriations in order to satisfy the accounts receivable (supplemental or deficiency appropriations) or if a write-off is recommended by the Chief Financial Officer Council's Intragovernmental Dispute Resolution Committee (refer to Treasury Financial Manual Bulletin 2007-03 titled Intragovernmental Business Rules) or OMB. If the Federal

Entry	Discre-tionary	Man-datory	Description
			agency is permitted to write-off account receivables from a Federal source, this action reduces the total budgetary resources available in the TAFS. If sufficient budgetary resources are not available to cover the obligations incurred in the TAFS, refer to section 145 of OMB Circular No. A-11 for further action to take.
Offsetting collections (previously unavailable)	1702	1802	*For unexpired accounts only:* For accounts with limitations on the use of offsetting collections, unappropriated or temporarily reduced, the amount of budget authority that is expected to become available for obligation pursuant to law from unavailable balances of offsetting collections. *Previously precluded or unappropriated*.—Amount of offsetting collections collected in the previous year but precluded from obligation or was unappropriated in a previous fiscal year. Include the amounts expected to become available pursuant to law during the fiscal year on this line. *Previously temporarily reduced*.—Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law taken from more than one account, and the agency head or other Executive Branch official was authorized to distribute the reduction to affected accounts. Include the amounts on this line in the fiscal year in which the amount is needed.
NONEXPENDITURE TRANSFERS OF SPENDING AUTHORITY FROM OFFSETTING COLLECTIONS TO OR FROM OTHER ACCCOUNTS:			
	For unexpired accounts only: Use spending authority from offsetting collections lines (1710, 1711, 1810, and 1811).		
Transferred to other accounts (–)	1710	1810	Amount transferred to another account in the same year the authority becomes available for obligation when the transfer is treated as an adjustment in budget authority (spending authority from offsetting collections) to the accounts and does not involve an obligation or outlay (see the description of SF 133 line 1120 for more information). Transfers of balances should be reported on SF 133 lines 1010, 3060 or 3070, as appropriate. Although the spending authority is transferred to another account, the offsetting collection will be credited to the account that initially received the collection on SF 133 lines 4030 through 4034 or 4120 through 4124. In the footnotes, list the individual accounts to which the *transfers have been made*. Specify the amount actually transferred to each account.
Transferred from other accounts (+)	1711	1811	Amount transferred from other accounts in the same year the authority becomes available for obligation when the transfer is treated as an adjustment in budget authority to the accounts and does not involve an obligation or outlay (see the description of SF 133 line 1121 for more information).

Entry	Discre-tionary	Man-datory	Description
			Transfers of balances should be reported on SF 133 lines 1011, 3061 or 3071, as appropriate. Although the spending authority is transferred from another account, the offsetting collection will be credited to the account that initially received the collection on SF 133 lines 4030 through 4034 or 4120 through 4124. In the footnotes, list the individual accounts from which the *transfers have been made*. Specify the amount actually transferred from each account.
ADJUSTMENTS TO SPENDING AUTHORITY FROM OFFSETTING COLLECTIONS:			
	For unexpired accounts only: Use spending authority from offsetting collections lines (1720 through 1728 and 1820 through 1827).		
Capital transfer of spending authority from offsetting collections to general fund (–)	1720	1820	Amount of spending authority from offsetting collections deposited to Treasury capital transfer receipt accounts, such as "Earnings of Government-owned enterprises," or "Repayments of capital investment, Government-owned enterprises." These are nonexpenditure transfers. Don't include interest payments or capital transfers of offsetting collections received during the year (see SF 133 lines 1720 and 1820). Include interest obligations on detailed SF 133 lines 2001 through 2103.
Spending authority from offsetting collections applied to deficiency by law (–)	1721	1821	Amount of offsetting collections used to eliminate a deficiency incurred in a previous year.
Spending authority from offsetting collections permanently reduced (–)	1722		Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Amounts are returned to the general fund of the Treasury and are not available for subsequent appropriation.
Spending authority from offsetting collections temporarily reduced (–)	1723	1822	Amount of (1) account-specific offsetting collections rescinded or cancelled and (2) across-the-board reductions in budget authority (percentage or other) mandated in appropriations law to be taken from more than one account, and the agency head or other Executive Branch official is authorized to distribute the reduction to affected accounts. Amounts are not returned to the general fund of the Treasury and are available for subsequent appropriation.
Unobligated balance of spending authority from offsetting collections temporarily reduced (–)	1724	1823	Amount of rescissions and cancellations of unobligated balances of prior year offsetting collections. Amounts are not returned to the general fund of the Treasury but are available for subsequent appropriation.
Spending authority from offsetting collections precluded from obligation (limitation on obligations)	1725	1824	Amount of offsetting collections credited to the account that is not available for obligation because of limitations on program level in appropriations acts or is not yet appropriated.

Entry	Discre-tionary	Man-datory	Description
(–)			*Limitation on revolving fund*.—Include amount not available for obligation due to a provision of law, such as a limitation on administrative expenses or construction. *Obligation limitations*.—Include amount by which an obligation limitation reduces the budget resources temporarily (the budget resources remain available after the expiration of the obligation limitation). Identify the public law containing the restriction in a footnote. The Impoundment Control Act (2 U.S.C. 683–684) and the Antideficiency Act (31 U.S.C. 1512) are not valid authorizing citations for this line.
Spending authority from offsetting collections applied to repay debt (–)	1726	1825	*Redemption of debt (also known as "liquidation of debt")*. Amount of spending authority from offsetting collections used for repayment of debt. Do not include appropriations balances used to retire outstanding debt (see SF 133 lines 1023, 1135 and 1236). Include obligations to pay interest on detailed SF 133 lines 2001 through 2103.
Spending authority from offsetting collections applied to liquidate contract authority (–)	1727	1826	Amount of offsetting collections collected used to liquidate contract authority that is not available for new obligations. Include portion of spending authority from offsetting collections used to replace the contact authority initially obligated against. The spending authority from offsetting collections may include cash, receivables from Federal sources, and unfilled customer orders.
Spending authority from offsetting collections substituted for borrowing authority (–)	1728	1827	Amount of offsetting collections used to liquidate obligations initially incurred against borrowing authority when the borrowing is not exercised.
ANTICIPATED PENDING AUTHORITY FROM OFFSETTING COLLECTIONS:			*For unexpired accounts only:* No amounts should be on these lines on the September 30 report.
Anticipated collections, reimbursements, and other income	1740	1840	Amount of the current estimate of anticipated collections (for example, anticipated orders from Federal sources or anticipated refunds) expected for the remainder of the year. Amount of expenditure transfers anticipated for the remainder of the year. For direct loan financing accounts, include a current estimate for the rest of the year of the loan subsidy anticipated from the program account. Deposit advances (as defined in section 20.11) without orders from Federal customers in budget clearing account F3885 "Undistributed intergovernmental payments" until an order is received. Deposit advances without orders from non-Federal customers in deposit fund X6500 "Advances without orders from non-Federal sources." OMB must approve all exceptions.
Anticipated nonexpenditure transfers of spending	1741	1841	Include the current estimate of spending authority from offsetting collections anticipated to be transferred to (+) or

Entry	Discre-tionary	Man-datory	Description
authority from offsetting collections (net) (+ or -)			from (–) the account under existing legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Transfers that have been made and included on SF 133 lines 1710, 1711, 1810, or 1811. • Anticipated transfers that require legislation. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on this line in a footnote.
Anticipated capital transfers and redemption of debt (spending authority from offsetting collections) (-)	1742	1842	Amount of the current estimate of additional capital transfers and redemption of debt anticipated in unexpired accounts derived from spending authority from offsetting collections for the remainder of the fiscal year under existing laws.
Spending authority from offsetting collections (total)	1750	1850	Automatically generated from the sum of SF 133 lines 1700 through 1742, when there are multiple entries on these lines. Automatically generated from the sum of SF 133 lines 1800 through 1842, when there are multiple entries on these lines.
Budget authority (total)	1900		Automatically generated from the sum of combined total of mandatory and discretionary budget authority (SF 133 lines 1100 through 1842) when more than one type is used. Also equals the sum of lines 1050, 1160, 1180, 1260, 1280, 1340, 1440, 1540, 1640, 1750, and 1850.
Adjustment for budgetary resources applied to liquidate deficiencies (-)	1901		Use this line to report budgetary resources used to liquidate deficiencies other than those specifically applied to deficiencies by law. Report appropriations specifically applied to deficiencies on lines 1100, 1200, 1700 or 1800; and 1136, 1237, 1721, or 1821, as explained above. The purpose of this line is to reduce the total budgetary resources available for obligation without reducing the amount of budget authority appropriated and “scored” for budget purposes.
Total budgetary resources (discretionary and mandatory)	1910		Sum of amounts shown on detailed SF 133 lines 1000 through 1901. Also equals sum of lines 1900 and 1901. *For unexpired accounts:* This amount will differ from the amount on line 7 on the latest SF 132 to the extent that individual amounts have changed that do not require the submission of a reapportionment request (see section 120.37). *For expired accounts:* This amount is not available for new obligations. See sections 130.10–130.13 for additional instructions.

C. *Application of Budgetary Resources—Format of SF 132*

Use the entries in the following table to prepare the "Application of Budgetary Resources" section of the SF 132, Apportionment and Reapportionment Schedule (for unexpired accounts only).

APPLICATION OF BUDGETARY RESOURCES

Entry	Description
Line 8. Apportioned:	When both Category A and Category B are used, insert a descriptive label on the Category A line to distinguish the amounts apportioned by quarter from the remaining amounts. All apportioned amounts by activity, project or object (category B) should be positive. Amounts apportioned by time period (category A) may be negative in order to reduce the cumulative amounts available. (See exhibit 121M).
Category A	Amount requested to be apportioned for each calendar quarter in the fiscal year. Apportionments previously approved are not subject to change after the close of the period for which the apportionment is made. Where the cumulative amount apportioned through the current period is to be decreased below the cumulative amount previously apportioned through the end of the preceding period, revise the amount apportioned for the current period to a negative amount. (See exhibit 121M). When appropriations are provided retroactively, place the amount in the period in which the appropriation was provided and include a footnote to indicate the period for which the appropriation was provided. For example, if there was a funding hiatus and a continuing resolution provided appropriations in the second quarter to pay essential workers (such as emergency room staff at a VA hospital) for work done in the first quarter, place the amount appropriated on the line for the second quarter and footnote the amount, as follows: P.L. XXX-XXX provided funding for the first quarter. The apportionment includes a column for Memo obligations. When submitting a reapportionment request for a TAFS that has incurred new obligations, include the obligations in this column. The obligations should agree with the obligations reported on the most recent SF 133 if more recent amounts are not available. You should provide the memo obligations for Category A or Category B apportioned amounts. You must include the date of the obligations on the same row as the BEA Category (See exhibit 121G).
Category B	Amounts requested to be apportioned on a basis other than calendar quarters, such as time periods other than quarters, activities, projects, objects, or a combination thereof (See section 120.8). Include in the stub column a line number (8B1 through 8Bn) and a description of the activity, project, or object for which funds are requested. Coordinate the line number assigned to each number with the preparer of the SF 133 so that the same line numbers are used.

Entry	Description
	Once a number is assigned, it should be reserved for that activity, project, or object only. Also, include the amount of obligations incurred for each Category B item as of the latest SF 133, if more recent amounts are not available. The periods covered by such amounts should be the same as the period for Category A, and identified in the footnote. Where the SF 132 has insufficient space to list the categories by which apportionments are to be made or where apportionments are to be made both by activities (or projects or objects) and by time periods within the fiscal year, add lines to the SF 132. Other than adding lines to Category B, *changes should not be made to the SF 132 without prior approval by OMB*).
Category C	When you plan to obligate amounts appropriated in a no-year or multi-year TAFS over more than one fiscal year, you may propose to apportion funds planned for obligation after the current fiscal year into a subsequent fiscal year. Include the amount planned for obligation after the current fiscal year on line 8C, apportioned for future fiscal years. OMB will *not* apportion annual TAFSs and the last year of multi-year TAFSs for periods longer than one fiscal year, as this would be an impoundment (i.e., a deferral during the year, and a de-facto rescission after the funds expire).
Line 9. Withheld pending rescission	For instructions on the use of this line, see section 112.3.
Line 10. Deferred	For instructions on the use of this line, see section 112.3.
Line 11. Unapportioned balance of revolving fund	This line will be used primarily for public enterprise funds, intragovernmental revolving funds, and trust funds that are subject to apportionment. For these types of funds, include the amount of budgetary resources that is not apportioned (made available for obligation) in order to preserve a portion of the fund's capital so it can continue to revolve and be available for its authorized purposes (see section 20.13(a)). Typically, in a guaranteed loan financing account, include the uninvested funds that serve as a reserve against loan guarantee defaults on this line. Do not include amounts deferred or proposed for rescission on this line. The amount on this line should equal the amount shown on line 7, less the amounts apportioned on line 8, less any amounts withheld pending rescission on line 9 or deferred on line 10.
Line 12. Total status of budgetary resources	Sum of the amounts on lines 8, 9, 10, and 11. This amount equals the amount reported on line 7.

D. *Status of Budgetary Resources—Format of SF 133*

Use the entries in the following table to prepare the "Status of Budgetary Resources" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority).

STATUS OF BUDGETARY RESOURCES

Entry	Description
OBLIGATIONS INCURRED	You are required to report direct and reimbursable obligations. See section 83.5 for instructions on classifying obligations as direct versus reimbursable. In general, "direct obligations" means obligations not financed from reimbursements. In general, "reimbursable obligations" means obligations financed by offsetting collections that are payment to the performing account for goods and services provided to the ordering entity. *For unexpired accounts:* Amount of obligations incurred from the beginning of the current fiscal year to the end of the reporting period, net of refunds received that pertain to obligations incurred in the current year. Include upward adjustments of prior obligations. Do not include cancellations or downward adjustments of obligations due to recoveries of prior year unpaid obligations reported on SF 133 line 1021. (See section 20.5 for a discussion of the concept of obligations.) *For expired accounts:* Amount of upward adjustments of obligations previously incurred. Upward adjustments are limited by the amount available for adjustments. No new obligations may be incurred against expired or canceled accounts. (See sections 130.10–130.14 on expired and canceled appropriations.) For downward adjustments, see SF 133 line 1021. *For unexpired and expired accounts:* Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1020 and 3001.
DIRECT	
2001 Category A (by quarter)	Amount of direct obligations incurred against amounts apportioned under category A on the latest SF 132. Category A may sometimes include program categories.
2002 Category B (by project) Category B [project 1] Category B [project 2 / program category 1] Category B [project 3 / program category 2]	Amount of direct obligations incurred against amounts apportioned under category B on the latest SF 132. Use a separate line for each administrative subdivision identified on the latest SF 132. Category B detail information describes the type of activity, project, etc. apportioned on line 8 of the latest SF 132. Four alphanumeric characters are used to identify subcategories.
2003 Exempt from apportionment	Amount of direct obligations incurred for accounts that are exempt from apportionment.
2004 Direct obligations (total)	Automatically generated from the sum of lines 2001 through 2003, when there are multiple entries on these lines.
REIMBURSABLE	
2101 Category A (by quarter)	Amount of reimbursable obligations incurred against amounts apportioned under category A on the latest SF 132. Category A may sometimes include program categories.

Entry	Description
2102 Category B (by project) Category B [project 1] Category B [project 2 / program category 1] Category B [project 3 / program category 2]	Amount of reimbursable obligations incurred against amounts apportioned under category B on the latest SF 132. Use a separate line for each administrative subdivision identified on the latest SF 132. Category B detail information describes the type of activity, project, etc. apportioned on line 8 of the latest SF 132. Four alphanumeric characters are used to identify subcategories.
2103 Exempt from apportionment	Amount of reimbursable obligations incurred for accounts that are exempt from apportionment.
2104 Reimbursable obligations (total)	Automatically generated from the sum of lines 2101 through 2103, when there are multiple entries on these lines.
UNOBLIGATED BALANCE	
APPORTIONED	*For unexpired accounts:*
2201 Available in the current period	Include the balances of amounts apportioned under category A and category B, as well as amounts apportioned by letter from OMB or by OMB bulletin. Do not include amounts apportioned but still anticipated. For amounts apportioned under category A, include the difference between the amount apportioned through the current period and the obligations incurred under those apportionments through the end of the reporting period. Where category B apportionments are based upon time periods within the year, include the difference between the cumulative amount apportioned through the current period and the obligations incurred under those apportionments through the end of the reporting period. Where funds are apportioned for the year as a whole, this entry will equal the total amount thus apportioned less the obligations incurred under those apportionments through the end of the reporting period. When required by OMB, show the portion of the unobligated balance that represents commitments outstanding in a footnote.
2202 Available in subsequent periods	*For unexpired accounts:* Amount apportioned by time periods (in both categories A and B) and for future fiscal years (category C) that are available for obligation in that reporting period, as approved on the latest SF 132. This includes both actual and anticipated amounts available in the subsequent periods.
2203 Anticipated (+ or –)	*For unexpired accounts:* Amount anticipated and apportioned year-to-date on the latest SF 132 less amounts no longer anticipated. The amount on this line should equal the sum of the apportioned amounts on SF 133 lines 1040, 1041, 1042, 1150, 1151, 1152, 1250, 1251, 1252, 1330, 1430, 1530, 1531, 1630, 1631, 1740 through 1742, and 1840 through 1842 that are still anticipated for the current period. The amounts not apportioned on these lines should be included on SF 133 line 2403. Although this amount is not immediately available for obligation, it will become available for obligation upon realization (e.g. upon actual receipt of the anticipated collection).

Entry	Description
EXEMPT FROM APPORTIONMENT 2301 Available in the current period	*For unexpired accounts:* Amount of the total unobligated balance available for obligation (including commitments) in accounts exempt from apportionment available in the current period. Do not include amounts exempt from apportionment and available in the subsequent period or still anticipated.
2302 Available in subsequent periods	*For unexpired accounts:* Amount of the total unobligated balance available for obligation (including commitments) in accounts exempt from apportionment available in the subsequent period. This includes both actual and anticipated amounts available in the subsequent periods.
2303 Anticipated (+ or –)	*For unexpired accounts:* Amount anticipated in accounts exempt from apportionment for the current period.
UNAPPORTIONED 2401 Deferred	*For unexpired accounts:* Amount deferred as shown on line 10 on the latest SF 132. This is the amount of budgetary resources being set aside for possible use at a later date (pursuant to a special message transmitted, or to be transmitted, by the President), before the funds expire.
2402 Withheld pending rescission	*For unexpired accounts:* Amount withheld pending rescission as shown on line 9 on the latest SF 132 (pursuant to a special message transmitted, or to be transmitted, by the President).
2403 Other	*For unexpired accounts:* For other balances not available for obligation, include the unobligated balances of amounts that are not included on lines 8, 9, or 10 on the latest SF 132. Include amounts on SF 133 lines 1021, 1740 and 1840 that exceed apportioned amounts. This entry will include any excess of budgetary resources realized over amounts estimated to become available for obligation on the latest SF 132, when such amounts exceed the parameters set forth in section 120.37. (Do not use this line for accounts and funds that are not subject to apportionment. Unobligated balances of such accounts will be reported on SF 133 lines 2301 through 2303.) This balance will be reported as a negative amount if budgetary resources (including estimates through the end of the year) are less than reported on the latest SF 132. If, on the September 30 report, a negative amount is reported on this line, the amount must be offset by remaining balances. For accounts that are apportioned, the offset must be against apportioned funds reported on SF 133 line 2201 or an apparent violation of the Antideficiency Act (31 U.S.C. 1341, 1342, or 1517) will have occurred. For accounts exempt from apportionment, the offset must be against SF 133 lines 2301 - 2303 or an apparent violation of the Antideficiency will have occurred. Unrealized budgetary resources will, in effect, be considered an offset against amounts apportioned (SF 133 lines 2201 through 2203) or exempt from apportionment (SF 133 lines 2301

Entry	Description
	through 2303) rather than an unobligated balance not available for obligation (SF 133 lines 2401 through 2403).
	This line will be used for the un-apportioned balance of public enterprise and intragovernmental revolving funds, as well as trust funds that are subject to apportionment. For these types of funds, include the amount shown on line 11 on the latest SF 132 (un-apportioned balance) plus the amount of upward adjustments in income until a reapportionment request is approved.
	Appropriated receipts. For the September 30 report, exclude from this line the portion of receipts collected in the current year in special or trust funds that is precluded from obligation due to a provision of law. The full amount appropriated in on SF 133 line 1201 or 1202. The amount precluded from obligation is subtracted on SF 133 line 1235.
	For expired accounts:
	Amount of expired unobligated balances that have not been used for valid adjustments. (These amounts are no longer available for new obligations.) The amount on line 2403 should be the difference between SF 133 line 1910 and detailed SF 133 lines 2001 through 2103.
	For the final September 30 report before an account will be closed, the amount on this line should be zero.
2500 Total budgetary resources	*For unexpired and expired accounts:*
	Sum of the amounts on detailed SF 133 lines 2001 through 2403. This amount equals the amount on line 1910 of the Schedule of Budgetary Resources.

MEMORANDUM (NON-ADD) ENTRIES

Entry	Description
2501 Subject to apportionment	*For unexpired and expired accounts:*
	Both the obligations incurred and unobligated balance of the Status of Budgetary Resources that are subject to apportionment. The sum of lines 2501 and 2502 equal line 2500.
2502 Exempt from apportionment	*For unexpired and expired accounts:*
	Both the obligations incurred and unobligated balance of the Status of Budgetary Resources that are exempt from apportionment. The sum of lines 2501 and 2502 equal line 2500.

E. *Change in Obligated Balances—Format of SF 133*

Use the entries in the following table to prepare the "Change in Obligated Balances" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority).

CHANGE IN OBLIGATED BALANCE

Entry	Description
OBLIGATED BALANCE, START OF YEAR (NET):	
UNPAID OBLIGATIONS, START OF YEAR:	
3000 Unpaid obligations, brought forward, October 1 (gross)	*For unexpired and expired accounts:* Unpaid obligations as of October 1of the current fiscal year. This amount will equal the sum of the beginning balance of (a) accounts payable and (b) undelivered orders. This line should equal SF 133 line 3090 of the final SF 133 for the preceding year.
3001 Adjustment to unpaid obligations, brought forward, October 1(+ or -)	*For unexpired and expired accounts:* Changes to unpaid obligations that occurred in a prior fiscal year and that were not recorded in the unpaid obligations as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's FMS will review the FBWT component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a TAFS that round to $1 million or more. This range includes amounts greater than or equal to $500,000. Agencies should generally exclude reclassifications from clearing accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years, as reported on SF 133 line 1021, that were not outlayed; • Upward adjustments of obligations previously incurred as reported on detailed SF 133 lines 2001 through 2103; and • Refunds collected from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on SF 133 line 1700 and 1800. On the SF 133, material and non-material adjustments to the unpaid obligations as of October 1 of the current fiscal year should be included on line 3011. On the Statement of Budgetary Resources, material amounts are part of the unpaid obligations as of October 1 of the current fiscal year because the prior year's financial statements are restated.

Entry	Description
UNCOLLECTED CUSTOMER PAYMENTS FROM FEDERAL SOURCES, START OF YEAR:	
3010 Uncollected customer payments from Federal sources, brought forward, October 1 (–)	*For unexpired and expired accounts:* Uncollected customer payments from other Federal Government accounts as of October 1of the current fiscal year. This amount will equal the sum of the beginning balance of (a) accounts receivable from other Federal Government accounts and the non- Federal (but only if specifically authorized by law to obligate against orders from the non-Federal) and (b) unfilled customers' orders from other Federal Government accounts not accompanied by an advance, unless specifically authorized by law to obligate against orders from the non-Federal. This line should equal line 3091 of the final SF 133 for the preceding year.
3011 Adjustment to uncollected customer payments from Federal sources, brought forward, October 1 (+ or –)	*For unexpired and expired accounts:* Changes to uncollected customer payments from Federal sources that occurred in a prior fiscal year and that were not recorded in the uncollected customer payments from Federal sources as of October 1 of the current fiscal year. These may be identified by the financial statement auditors, agency personnel, or others. Include adjustments posted to the agency financial system that are either material or non-material. When reporting to FACTS II, agencies will use an attribute to show that their USSGL account balances are not current-year activity—even though these balances would otherwise look like current-year activity. FACTS II will use this attribute to crosswalk these USSGL account balances to this adjustment line. OMB and the Department of the Treasury's FMS will review the FBWT component of the adjustments that agencies report to FACTS II each quarter. FMS will only backdate prior year adjustments on a transaction basis in a TAFS that round to $1 million or more. This range includes amounts greater than or equal to $500,000. Agencies should generally exclude reclassifications from clearing accounts to other TAFSs, but may consult OMB if they want to include some of these reclassifications as adjustments. Exclude the following amounts from this line: • Downward adjustments of unpaid obligations incurred in prior fiscal years, as reported on SF 133 line 1021, that were not outlayed; • Upward adjustments of obligations previously incurred as reported on detailed SF 133 lines 2001 through 2103; and • Refunds collected from prior year obligations that have been outlayed to the appropriation of fund account charged with the original obligations as reported on SF 133 lines 1700 and 1800. On the SF 133, material and non-material adjustments to the uncollected customer payments from Federal sources as of October 1 of the current fiscal year should be included on line 12B2. On the

Entry	Description
	Statement of Budgetary Resources, material amounts are part of the uncollected customer payments from Federal sources as of October 1 of the current fiscal year because the prior year's financial statements are restated.
3020 Obligated balance, start of year (net)	Unpaid obligations (i.e., accounts payable plus undelivered orders) minus uncollected customer payments from other Federal Government accounts (i.e., accounts receivable and unpaid, unfilled orders) carried forward from the preceding year. Include uninvested balances; balances invested in Federal securities (par value), adjusted for unrealized discounts (a negative amount); and amounts obligated against contract authority. Equals sum of lines 3000 through 3011.
CHANGES IN OBLIGATED BALANCE DURING THE YEAR:	
OBLIGATIONS INCURRED:	
3030 Unexpired accounts	Amount of obligations incurred from the beginning of the current fiscal year to the end of the reporting period, net of refunds received that pertain to obligations incurred in the current year. Include upward adjustments of prior obligations. Do not include cancellations or downward adjustments of obligations due to recoveries of prior year unpaid obligations reported on SF 133 line 1021. (See section 20.5 for a discussion of the concept of obligations.) Includes both direct and reimbursable obligations. Equals the sum of amounts on SF 133 lines 2001 through 2003 and 2101 through 2103. Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1020 and 3001.
3031 Expired accounts	Amount of upward adjustments of obligations previously incurred. Upward adjustments are limited by the amount available for adjustments. No new obligations may be incurred against expired or canceled accounts. (See sections 130.10–130.14 on expired and canceled appropriations.) For downward adjustments, see SF 133 line 1021. Includes both direct and reimbursable obligations. Equals the sum of amounts on SF 133 lines 2001 through 2003 and 2101 through 2103. Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1020 and 3001.
3040 OUTLAYS (GROSS) (–)	*For unexpired and expired accounts:* Total disbursements made by the account. Automatically generated from the sum of the amounts on lines 8690 through 8698, with opposite sign. Amount of obligations paid. Includes payments in the form of cash (currency, checks, or electronic fund transfers) and in the form of debt instruments (bonds, debentures, notes, or monetary credits) when they are used to pay obligations. Include refunds of payments made in the current year. For the Interest on the Public Debt account, "interest" includes both the interest paid and the change in interest payable for public issues of Treasury debt securities and for certain special issues (i.e., Government account series) of Treasury debt securities (see section 20.6).

Entry	Description
	This is also known as "Disbursements." Equals amount on line 19A, with opposite sign. Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1021 and 3001.
CHANGE IN UNCOLLECTED CUSTOMER PAYMENTS FROM FEDERAL SOURCES:	
	Amount of increase (+) or decrease (–) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year.
3050 Unexpired accounts	Amount of reimbursements from another Federal Government account that is *earned, but not collected*, to date during the current fiscal year, including those for revolving funds. If during the fiscal year, the amount is collected, move the amount to SF 133 lines 1700 and 1800, above. Amount of expenditure transfers from a trust fund account to a Federal fund account is *authorized by law, but not collected*, to date during the current fiscal year. If during the fiscal year, the amount is collected, move the amount to SF 133 lines 1700 and 1800, above. For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative: • The decrease in reimbursable receivables, and • Receivables written off. Amount of increase (+) or decrease (–) from October 1, in unfilled orders on hand from other Federal Government accounts, that are valid obligations of the ordering account and are *not* accompanied by an advance. For annual accounts and the last year of multi-year accounts, unpaid, unfilled orders from Federal sources on this line should reflect *obligated amounts* only on the September 30 report. For no-year accounts, unpaid, unfilled orders from Federal sources on this line may remain unobligated on the September 30 report. See section 130.9 for further details on Economy Act transactions involving different periods of availability.
3051 Expired accounts	For *collections of receivables* included in either the net unpaid obligations or the unobligated balances brought forward, include, as a negative, the decrease in reimbursable receivables. Also include, as a negative, receivables written off. Amount of decrease (–) from October 1, in unfilled customer orders on hand from other Federal Government accounts that are valid obligations of the ordering account and are *not* accompanied by an advance.
NONEXPENDITURE TRANSFERS OF OBLIGATED BALANCE TO OR FROM OTHER ACCCOUNTS:	
UNPAID OBLIGATIONS TRANSFERRED TO OR FROM OTHER ACCOUNTS:	
3060 Unpaid obligations transferred to other accounts (–)	*For unexpired and expired accounts:* Amount of unpaid obligations from other Federal Government accounts actually transferred to (-) other accounts during the current fiscal year. In the footnotes, list the individual accounts from which and to which

Entry	Description
	the transfers have been made. Specify the amount to be transferred to (-) each account.
3061 Unpaid obligations transferred from other accounts	*For unexpired and expired accounts:* Amount of unpaid obligations from other Federal Government accounts actually transferred from (+) other accounts during the current fiscal year. In the footnotes, list the individual accounts from which and to which the transfers have been made. Specify the amount to be transferred from (+) each account.
UNCOLLECTED CUSTOMER PAYMENTS FROM FEDERAL SOURCES TRANSFERRED TO OR FROM OTHER ACCOUNTS:	
3070 Uncollected customer payments from Federal sources transferred to other accounts	*For unexpired and expired accounts:* Amount of uncollected customer payments from other Federal Government accounts actually transferred from this account to other accounts during the current fiscal year. In the footnotes, list the individual accounts to which the transfers have been made. Specify the amount to be transferred to each account.
3071 Uncollected customer payments from Federal sources transferred from other accounts (–)	*For unexpired and expired accounts:* Amount of uncollected customer payments from other Federal Government accounts actually transferred to this account from other accounts during the current fiscal year. In the footnotes, list the individual accounts from which the transfers have been made. Specify the amount to be transferred from each account.
RECOVERIES OF PRIOR YEAR UNPAID OBLIGATIONS:	
3080 Unexpired accounts (–)	Amount of any cancellations or downward adjustments of obligations incurred in *prior fiscal years* that were *not outlayed.* Include the adjustments since October 1 of the current year. Show the actual recoveries, as shown on the SF 133, on reapportionment requests. Include recovered amounts obligated against *indefinite* borrowing authority that was borrowed. Then subtract the same amount on SF 133 line 1022. Include recovered amounts obligated against *indefinite* borrowing authority that was *not* borrowed. Then subtract the same amount on SF 133 line 1024. Include recovered amounts obligated against *indefinite* contract authority that was funded or *unfunded* contract authority. Then subtract the same amount on SF 133 line 1025. Exclude any cancellations or downward adjustments of obligations incurred and outlayed in prior fiscal years since they must be accompanied by cash refunds. Cash refunds collected (i.e., recoveries of prior year obligations incurred and outlayed in prior fiscal years) are to be included on SF 133 line 1700 or 1800. For upward adjustments, see detailed SF 133 lines 2001 through 2103. Exclude recoveries of current year unpaid obligations, which will be netted against obligations on detailed SF 133 lines 2001 through 2103. If a recovery is significant, you may want to explain in a footnote. Exclude any adjustments to current year beginning balance recorded on SF 133 lines 1020 and 3001.

Entry	Description
	For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these obligated balances as canceled, include the amount to be canceled, as a positive. Then, subtract the same amount on SF 133 line 1029, *Other balances withdrawn*.
3081 Expired accounts (–)	Amount of any cancellations or downward adjustments of obligations incurred in *prior fiscal years* that were *not outlayed.* Include the adjustments since October 1 of the current year. Show the actual recoveries, as shown on the SF 133, on reapportionment requests. Include recovered amounts obligated against *indefinite* borrowing authority that was borrowed. Then subtract the same amount on SF 133 line 1022. Include recovered amounts obligated against *indefinite* borrowing authority that was *not* borrowed. Then subtract the same amount on SF 133 line 1024. Include recovered amounts obligated against *indefinite* contract authority that was funded or *unfunded* contract authority. Then subtract the same amount on SF 133 line 1025. Exclude any cancellations or downward adjustments of obligations incurred and outlayed in prior fiscal years since they must be accompanied by cash refunds. Cash refunds collected (i.e., recoveries of prior year obligations incurred and outlayed in prior fiscal years) are to be included on SF 133 line 1700 or 1800. For upward adjustments, see detailed SF 133 lines 2001 through 2103. Exclude recoveries of current year unpaid obligations, which will be netted against obligations on detailed SF 133 lines 2001 through 2103. If a recovery is significant, you may want to explain in a footnote. Exclude any adjustments to current year beginning balance recorded on SF 133 lines 1020 and 3001. For the final September 30 report before an account will be closed, all remaining unobligated and obligated balances must be canceled. To present these obligated balances as canceled, include the amount to be canceled, as a positive. Then, subtract the same amount on SF 133 line 1029, *Other balances withdrawn*.
OBLIGATED BALANCE, END OF YEAR (NET):	
3090 Unpaid obligations, end of year (gross)	*For unexpired and expired accounts:* Amount of undelivered orders that have not been prepaid and amount owed by the account on the basis of invoices or other evidence of receipts of goods and services being carried forward to the subsequent period. For the final September 30 report before an expired account will be closed, the amounts on these lines should be zero.
3091 Uncollected customer payments from Federal sources, end of year (–)	*For unexpired and expired accounts:* Amount of accounts receivable from other Federal Government accounts and the non-Federal (but only if specifically authorized by law to obligate against orders from the non-Federal) and amount of unfilled customer orders from other Federal Government accounts not accompanied by an advance being carried forward to the subsequent period.

Entry	Description
	Do not include refunds receivable. Do not include unfilled customer orders from other Federal Government accounts accompanied by an advance or from non-Federal sources with an advance. See SF 133 lines 1700 and 1800. For the final September 30 report before an expired account will be closed, the amounts on these lines should be zero.
3100 Obligated balance, end of year (net)	*For unexpired and expired accounts:* Unpaid obligations (i.e., accounts payable plus undelivered orders) minus uncollected customer payments from other Federal Government accounts (i.e., accounts receivable and unpaid, unfilled orders) carried forward in the following year. Include uninvested balances; balances invested in Federal securities (par value), adjusted for unrealized discounts (a negative amount); and amounts obligated against contract authority. Equals the sum of detailed lines 3000 through 3081. Also equals sum of lines 3090 and 3091.

F. *Budget Authority and Outlays, Net—Format of SF 133*

Use the entries in the following table to prepare the "Budget Authority and Outlays, Net" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority). Lines 4020, 4040, 4110, 4130, 4180, and 4190 are required for all quarters.

BUDGET AUTHORITY AND OUTLAYS, NET

Entry	Discre-tionary	Man-datory	Description
BUDGET AUTHORITY, OUTLAYS, AND OFFSETS:			
BUDGET AUTHORITY, GROSS			
Budget authority, gross	4000	4090	*For unexpired and expired accounts:* Automatically generated from the sum of budget authority (SF 133 lines 1100 through 1152, 1170 through 1174, 1300 through 1330, 1500 through 1531 and 1700 through 1742. Also equals sum of lines 1160, 1180, 1340, 1540, and 1850). Automatically generated from the sum of budget authority (SF 133 lines 1200 through 1252, 1270 through 1273, 1400 through 1430, 1600 through 1631, and 1800 through 1842. Also equals sum of lines 1260, 1280, 1440, 1640, and 1850.).
OUTLAYS, GROSS			
Outlays from new authority	4010	4100	*For unexpired and expired accounts:*
Outlays from balances	4011	4101	Amount of obligations paid. Includes payments in the form of cash (currency, checks, or electronic fund transfers) and in the form of debt instruments (bonds, debentures, notes, or monetary credits) when they are used to pay obligations.

Entry	Discre-tionary	Man-datory	Description
			Include refunds of payments made in the current year. For the Interest on the Public Debt account, "interest" includes both the interest paid and the change in interest payable for public issues of Treasury debt securities and for certain special issues (i.e., Government account series) of Treasury debt securities (see section 20.6). Exclude any adjustments to current year beginning balances recorded on SF 133 lines 1021 and 3001. This is also known as "Disbursements." This is a positive amount. You should not use these lines for credit financing accounts.
Total outlays, gross	4020	4110	*For unexpired and expired accounts:* Automatically generated from the sum of the amounts on SF 133 lines 4010 through 4011, when multiple lines 4010–4011 are reported. Automatically generated from the sum of the amounts on SF 133 lines 4100 through 4101, when multiple lines 4100–4101 are reported.
OFFSETS:			
OFFSETS AGAINST GROSS BUDGET AUTHORITY AND OUTLAYS:			
OFFSETTING COLLECTIONS FROM:			
	For unexpired and expired accounts: Amount of reimbursements from other Federal Government accounts and other collections credited to the account from the beginning of the year to the end of the reporting period. Include refunds of payments originally made in **prior** fiscal years that are received in the **current fiscal year**. Note: Refunds of payments made in the current fiscal year are netted against line 8. This is also known as "Offsetting collections (cash)." This is a negative amount. Amount of cash credited to the account. (Includes refunds that pertain to obligations recorded in prior fiscal years, as long as the account has not been canceled.) Identify the source of the payment (see the descriptions below). Use subentries when there are significant amounts of different types of income, such as insurance premiums, loan repayments, interest, fees, etc. Exclude any adjustments to current year beginning balances recorded SF 133 lines 1021 and 3011.		
Federal sources	4030	4120	Amount from other Federal Government accounts except interest received from investments in Federal securities and interest on uninvested funds. Do not include orders and contracts that are valid obligations of ordering accounts that are not accompanied by advances. Include collections from general, special, trust, revolving, and management fund accounts. Also include collections from off-budget Federal entities.
Interest on Federal	4031	4121	Amount of interest on investments in marketable and nonmarketable Federal securities. Use for general and

Entry	Discre-tionary	Man-datory	Description
securities			revolving fund accounts only. Include amount of amortized discount for investments in zero coupon bonds. Include amount of inflation compensation for investments in Treasury inflation indexed securities.
Interest on uninvested funds	4032	4122	Amount of interest from Federal securities on balances not invested in marketable and nonmarketable Treasury securities.
Non-Federal sources	4033	4123	Amount received from non-Federal sources as a result of business-type transactions (e.g., repayments of loan principal, interest on outstanding loans, user charges) and amount of orders received from non-Federal sources that are accompanied by advances. Report collections that arise from the Government's sovereign or governmental powers on SF 133 lines 4034 and 4124. Use line titles to identify separately the primary sources of collections. Small amounts may be aggregated. See exhibits 185C, 185F and 185I.
Offsetting governmental collections (from non-Federal sources)	4034	4124	Amount received from non-Federal sources that are governmental in nature (e.g., tax receipts, regulatory fees, compulsory user charges, custom duties, license fees) but required by law to be credited to the account (see section 20.7(d)). Use line titles to identify separately the primary sources of collections.
Offsets against gross budget authority and outlays (total)	4040	4130	*For unexpired and expired accounts:* Automatically generated from the sum of lines 4030 through 4034, when there are multiple entries on these lines. Automatically generated from the sum of lines 4120 through 4124, when there are multiple entries on these lines.
ADDITIONAL OFFSETS AGAINST GROSS BUDGET AUTHORITY ONLY:			
Change in uncollected customer payments from Federal sources (unexpired) (+ or -)	4050	4140	Amount of increase (+) or decrease (–) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year.
Change in uncollected customer payments from Federal sources (expired) (+ or -)	4051	4141	Amount of increase (+) or decrease (–) in accounts receivable from Federal sources and unpaid, unfilled orders from Federal sources from the start of year to the end of year.
Offsetting collections credited to expired accounts (-)	4052	4142	*For expired accounts only:* Amount of offsetting collections (cash) and refunds that pertain to an account that has expired but is not yet canceled (see section 20.10).
Anticipated offsetting collections	4053	4143	*For unexpired accounts only:*

Entry	Discre-tionary	Man-datory	Description
			Amount of the current estimate of anticipated collections (for example, anticipated orders from Federal sources or anticipated refunds) expected for the remainder of the year. Amount of expenditure transfers anticipated for the remainder of the year. For direct loan financing accounts, include a current estimate for the rest of the year of the loan subsidy anticipated from the program account. Deposit advances (as defined in section 20.11) without orders from Federal customers in budget clearing account F3885 "Undistributed intergovernmental payments" until an order is received. Deposit advances without orders from non-Federal customers in deposit fund X6500 "Advances without orders from non-Federal sources." Include the current estimate of spending authority from offsetting collections anticipated to be transferred to (+) or from (–) the account under existing legislation. In the footnotes, list the individual accounts from which and to which the transfers will be made. Specify the amount to be transferred to (+) and from (–) each account. Include the following note: "Amounts to be transferred under existing legislation." Do not include: • Transfers that have been made and included on SF 133 lines 1710, 1711, 1810, or 1811. • Anticipated transfers that require legislation. Use this line for reporting other transactions only with prior approval of the OMB representative with budget responsibility for the account. Identify the law(s) providing the appropriations included on this line in a footnote. Amount of the current estimate of additional capital transfers and redemption of debt anticipated in unexpired accounts derived from spending authority from offsetting collections for the remainder of the fiscal year under existing laws. No amount should be on this line on the September 30 report.
Additional offsets against budget authority only (total)	4060	4150	*For unexpired and expired accounts:* Automatically generated from the sum of lines 4050 through 4053, when there are multiple entries on these lines. Automatically generated from the sum of lines 4140 through 4143, when there are multiple entries on these lines.
Budget authority, net	4070	4160	*For unexpired and expired accounts:*

Entry	Discre-tionary	Man-datory	Description
			Automatically generated from the total new budget authority (gross) on SF 133 line 4000 offset by the amounts on lines 4030 through 4034 and on SF 133 lines 4050 and 4053.
			Automatically generated from the total new budget authority (gross) on SF 133 line 4090 offset by the amounts on lines 4120 through 4124 and on SF 133 lines 4140 and 4143.
Outlays, net	4080	4170	*For unexpired and expired accounts:*
			Automatically generated from the total outlays (gross) on lines 4010 through 4011 offset by the amounts on lines 4030 through 4034.
			Automatically generated from the total outlays (gross) on lines 4100 through 4101offset by the amounts on lines 4120 through 4124.
BUDGET AUTHORITY AND OUTLAYS, NET (DISC. AND MAND.)			
Budget authority, net (disc. and mand.)	4180		Automatically generated from the sum of lines 4070 and 4160. This line will always be used, even if the amount is zero.
Outlays, net (disc. and mand.)	4190		Automatically generated from the sum of lines 4080 and 4170. This line will always be used, even if the amount is zero.

G. Schedule of *Unfunded Deficiencies—Format of SF 133*

Use the entries in the following table to prepare the "Schedule of Unfunded Deficiencies" section of the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority).

SCHEDULE OF UNFUNDED DEFICIENCIES

Entry	Description
7000 Unfunded deficiency, start of year (-)	Amount of obligations included in unpaid obligations, start of year that exceeded the resources available when the obligations were incurred and will require an appropriation or offsetting collections to liquidate the deficiency.
	Note: See section 145 for additional reporting requirements on deficiencies.
CHANGE IN DEFICIENCY DURING THE YEAR:	
7010 New deficiency (-)	Includes only amount of obligations (as of the end of the year) that exceeds the budgetary resources available for obligation or amount of obligations that exceed deferred or withheld pending rescission and requires an appropriation or future offsetting collections to liquidate.

Entry	Description
	Does not include obligations in excess of apportionments, allotments, or other agency subdivisions of funds even though such amounts are reportable as a violation of the Antideficiency Act. Use this entry in the year in which the deficiency is incurred. Note: See section 145 for additional reporting requirements on deficiencies.
7011 Appropriations available only to liquidate deficiencies	Amount of appropriations or offsetting collections specifically applied by law to deficiencies, as reported on lines 1136, 1237, 1721, and 1821.
7012 Available budgetary resources used to liquidate deficiencies	Amount of budgetary resources used to liquidate deficiencies other than those specifically applied to deficiencies by law, as reported on line 1901.
7020 Unfunded deficiency, end of year (-)	Amount of obligations included in unpaid obligations, end of year that exceeded the resources available when the obligations were incurred and will require an appropriation or offsetting collections to liquidate the deficiency. Note: See section 145 for additional reporting requirements on deficiencies.

While the above entries include tables to prepare the SF 133, Report on Budget Execution and Budgetary Resources (for unexpired accounts and expired accounts, including accounts about to be closed and annual fund symbols that are older than five years that have legally authorized extended disbursing authority), the Statement of Budgetary Resources is a financial statement that mimics the SF 133 format. While the SF 133 presentation has been realigned for FY 2010, the Statement of Budgetary Resources will be changed to better align with the new SF 133 format in FY 2011. Once the Statement of Budgetary Resources has been realigned, Appendix F will highlight the lines that it excludes and the additional lines it includes compared to the SF 133 in the July 2010 release of OMB Circular No. A-11.

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