

**Refunds of Prior-Year
Spending Authority From Offsetting Collections (Other Than Advances)
Refunded in the Current Year From *Unexpired* TAFS
As Obligations and Outlays**

Background

Office of Management and Budget (OMB) policy was clarified with the August 2009 update of OMB Circular No. A-11. The updated OMB Circular No. A-11 states “If you return a cash advance or other offsetting collection received in a prior fiscal year, you must record an obligation and outlay in the current fiscal year.”¹ Prior to this guidance, USSGL transactions reduced the unfilled customer orders with advance and/or other offsetting collections, rather than recording the transactions as obligations and outlays. In order to effectively illustrate this OMB requirement, three USSGL scenarios were developed:

- “Refunds of Prior-Year Advances Refunded in the Current Year From *Unexpired* TAFS As Obligations and Outlays”
- **“Refunds of Prior-Year Spending Authority From Offsetting Collections (Other Than Advances) Refunded in the Current Year From *Unexpired* TAFS As Obligations and Outlays”**
- “Refunds of Prior-Year Spending Authority From Offsetting Collections Refunded in the Current Year From *Expired* TAFS As Obligations and Outlays”

This scenario addresses the **second** bullet above.

This scenario follows USSGL TFM S2 10-02 (August 2010) fiscal 2011 crosswalks.

Assumptions Specific to this Scenario (Agencies may encounter other situations that vary from these specific assumptions.)

1. This scenario illustrates BEA Category funding as discretionary.
2. This scenario accommodates either a no-year TAFS, or a multi-year TAFS where the period of availability is **not** about to expire.
3. The examples in this scenario do not address earmarked or fiduciary funds.

¹ OMB Circular No. A-11, Section 20.11, page 36, and Appendix F (ADVANCE), page 8 (August 2009)

**Refunds of Prior-Year
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Scenario

Listing of USSGL Accounts Used in This Scenario

Budgetary

- 4060 Anticipated Collections From Non-Federal Sources
- 4201 Total Actual Resources - Collected
- 4266 Other Actual Business-Type Collections From Non-Federal Sources
- 4450 Unapportioned Authority
- 4510 Apportionments
- 4590 Apportionments – Anticipated Resources – Programs Subject to Apportionment
- 4610 Allotments – Realized Resources
- 4902 Delivered Orders – Obligations, Paid

Proprietary

- 1010 Fund Balance With Treasury
- 3310 Cumulative Results of Operations
- 5200 Revenue From Services Provided
- 5900 Other Revenue
- 5909 Contra Revenue for Other Revenue

YEAR 1: Beginning Trial Balance

USSGL Account	Debit	Credit
<u>Budgetary</u>		
n/a		
<u>Proprietary</u>		
n/a		

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YEAR 1: Year 1 illustrates USSGL transactions for offsetting collections from non-Federal sources.

1. The TAFS anticipates \$50,000 of spending authority from offsetting collections from non-Federal sources. In addition, the agency submits an SF 132: Apportionment and Reapportionment Schedule, to OMB requesting apportionment.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u> 4060 Anticipated Collections From Non-Federal Sources 4450 Unapportioned Authority	50,000	50,000	A140
<u>Proprietary Entry</u> None			
2. OMB approves the apportionment.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u> 4450 Unapportioned Authority 4590 Apportionments – Anticipated Resources – Programs Subject to Apportionment	50,000	50,000	A118
<u>Proprietary Entry</u> None			
3. The TAFS records receipt of previously anticipated non-Federal collections. Automatic allotment of anticipated resources is realized.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u> 4266 Other Actual Business-Type Collections From Non-Federal Sources 4060 Anticipated Collections From Non-Federal Sources 4590 Apportionments – Anticipated Resources – Programs Subject to Apportionment 4610 Allotments – Realized Resources	20,000 20,000	 20,000 20,000	 A122 C109
<u>Proprietary Entry</u> 1010 Fund Balance With Treasury 5900 Other Revenue	20,000	20,000	

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YEAR 1: Preclosing Entry

4. To record adjustments for anticipated resources not realized.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u>			
4590 Apportionments – Anticipated Resources – Programs Subject to Apportionment	30,000		F112
4060 Anticipated Collections From Non-Federal Sources		30,000	
<u>Proprietary Entry</u>			
None			

YEAR 1: Preclosing Adjusted Trial Balance

USSGL Account	Debit	Credit
<u>Budgetary</u>		
4060 Anticipated Collections From Non-Federal Sources	0	
4266 Other Actual Business-Type Collections From Non-Federal Sources	20,000	
4450 Unapportioned Authority		0
4590 Apportionments – Anticipated Resources – Programs Subject to Apportionment		0
4610 Allotments – Realized Resources		20,000
Total	20,000	20,000
<u>Proprietary</u>		
1010 Fund Balance With Treasury	20,000	
5900 Other Revenues		20,000
Total	20,000	20,000

**Refunds of Prior-Year
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YEAR 1: Closing Entries

5. To record the consolidation of actual net-funded resources.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u> 4201 Total Actual Resources – Collected 4266 Other Actual Business-Type Collections From Non-Federal Sources	20,000	20,000	F302
<u>Proprietary Entry</u> None			

6. To record the closing of unobligated balances to unapportioned authority for unexpired status in a no-year fund.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u> 4610 Allotments - Realized Resources 4450 Unapportioned Authority	20,000	20,000	F308
<u>Proprietary Entry</u> None			

7. To record the closing of revenues and expenses to cumulative results of operations.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u> None			F336
<u>Proprietary Entry</u> 5900 Other Revenue 3310 Cumulative Results of Operations	20,000	20,000	

**Refunds of Prior-Year
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YEAR 1: Postclosing Trial Balance

USSGL Account	Debit	Credit
<u>Budgetary</u>		
4201 Total Actual Resources – Collected	20,000	
4450 Unapportioned Authority		20,000
Total	20,000	20,000
<u>Proprietary</u>		
1010 Fund Balance With Treasury	20,000	
3310 Cumulative Results of Operations		20,000
Total	20,000	20,000

YEAR 1: FMS 2108 YEAREND CLOSING STATEMENT

Column 2. Preclosing Unexpended Balance – Treasury Supplied	20,000
Column 5. Postclosing Unexpended Balance (1010E)	20,000
Column 6. Other Authorizations	
Column 7. Reimbursements Earned and Refunds	
Column 8. Unfilled Customer Orders	
Column 9. Undelivered Orders and Contracts	
Column 10. Accounts Payable and Other Liabilities	
Column 11. Unobligated Balance (4610E)	20,000
(Columns 5+6+7+8 = 9+10+11) (Column 2=5)	Yes, Yes

**Refunds of Prior-Year
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**YEAR 1: SF 133 STATEMENT OF BUDGETARY EXECUTION AND BUDGETARY
 RESOURCES and PROGRAM AND FINANCING (P&F) SCHEDULE**

BUDGETARY RESOURCES	
Unobligated balance:	
1000 Unobligated balance brought forward, October 1	0
Spending authority from offsetting collections:	
Discretionary:	
1700 Collected (4266E)	20,000
1910 Total budgetary resources (Sum of combined total of unobligated balances, budget authority, and line 1901)	20,000
STATUS OF BUDGETARY RESOURCES	
Unobligated balance:	
Apportioned:	
2201 Available in the current period (4610E)	20,000
2500 Total budgetary resources (Sum of lines 2001..2403. Also equals line 1910)	20,000
CHANGE IN OBLIGATED BALANCES	
Changes in obligated balance during the year:	
Obligations incurred (gross)	
3100 Obligated balance, end of year (net) (calc. lines 3000, 3001, 3010, 3011, 3030, 3031, 3040, 3050, 3051, 3060, 3061, 3070, 3071, 3080, and 3081)	0
BUDGET AUTHORITY AND OUTLAYS, NET	
Discretionary:	
Gross budget authority and outlays:	
4000 Budget authority, gross (calc.)	20,000
4010 Outlays from new discretionary authority	0
4020 Total outlays, gross	0
4033 Offsetting collections from non-Federal sources (disc.) (4266E)	(20,000)
4040 Offsets against gross budget authority and outlays (total) (-) (calc. lines 4030 through 4034)	(20,000)
4070 Budget authority, net (discretionary)	0
4080 Outlays, net (discretionary) (calc. lines 4010 through 4011 plus the amounts on lines 4030 through 4034)	(20,000)

**Refunds of Prior-Year
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 As Obligations and Outlays**

YEAR 1: CONSOLIDATED BALANCE SHEET

Assets:

Intragovernmental:

1. Fund Balance With Treasury (1010E)	20,000
6. Total Intragovernmental	20,000
15. Total Assets	20,000

Liabilities:

28. Total Liabilities	0
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Net Position:

33. Cumulative Results of Operations – Other Funds (5900E)	20,000
34. Total Net Position	20,000
35. Total Liabilities and Net Position	20,000

YEAR 1: CONSOLIDATED STATEMENT OF NET COST

Program Costs:

1. Gross costs	0
2. Less: Earned Revenue (5900E)	(20,000)
3. Net Program Costs	(20,000)
4. Costs not assigned to programs	0
5. Less: Earned revenues not attributed to programs	0
6. Net Cost of Operations	(20,000)

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YEAR 1: CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

Cumulative Results of Operations:

1. Beginning Balances	0
3. Beginning Balance, as Adjusted	0

Budgetary Financing Sources:

14. Total Financing Sources	0
15. Net Cost of Operations	20,000
16. Net Change	20,000
17. Cumulative Results of Operations	20,000

Unexpended Appropriations:

18. Beginning Balances	0
20. Beginning Balances, as Adjusted	0

Budgetary Financing Sources:

25. Total Budgetary Financing Sources	0
26. Total Unexpended Appropriations	0
27. Net Position	20,000

**Refunds of Prior-Year
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YEAR 2

1. The TAFS records budgetary authority apportioned by OMB and allotted.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u>			
4450 Unapportioned Authority	20,000		
4510 Apportionments		20,000	A116
4510 Apportionments	20,000		
4610 Allotment – Realized Resources		20,000	A120
<u>Proprietary Entry</u>			
None			
2. It has been determined that the TAFS must refund \$5,000 of the prior-year's non-Federal offsetting collection back to the non-Federal entity. ² (OMB requires the use of object class 44.)			
TAFS	DR	CR	TC
<u>Budgetary Entry</u>			
4610 Allotments – Realized Resources	5,000		
4902 Delivered Orders – Obligations, Paid		5,000	D436
<u>Proprietary Entry</u>			
5909 Contra Revenue for Other Revenue	5,000		
1010 Fund Balance With Treasury		5,000	

² This is a valid refund, not a correction of error or change in accounting principle; therefore, this is not a prior-year adjustment or a prior-period adjustment situation.

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YEAR 2: Preclosing Adjusted Trial Balance

USSGL Account	Debit	Credit
<u>Budgetary</u>		
4201 Total Actual Resources – Collected	20,000	
4610 Allotments – Realized Resources		15,000
4902 Delivered Orders – Obligations, Paid		5,000
Total	20,000	20,000
<u>Proprietary</u>		
1010 Fund Balance With Treasury	15,000	
3310 Cumulative Results of Operations		20,000
5909 Contra Revenue for Other Revenue	5,000	
Total	20,000	20,000

YEAR 2: Closing Entries

3. To record the closing of paid delivered orders to total actual resources.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u>			
4902 Delivered Orders – Obligations, Paid	5,000		
4201 Total Actual Resources – Collected		5,000	F314
<u>Proprietary Entry</u>			
None			

4. To record the closing of unobligated balances to unapportioned authority for unexpired status in a no-year fund.			
TAFS	DR	CR	TC
<u>Budgetary Entry</u>			
4610 Allotments - Realized Resources	15,000		
4450 Unapportioned Authority		15,000	F308
<u>Proprietary Entry</u>			
None			

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5. To record the closing of revenues and expenses to cumulative results of operations.			
The TAFS			
<u>Budgetary Entry</u>			
None			
<u>Proprietary Entry</u>			
3310 Cumulative Results of Operations	5,000		F336
5909 Contra Revenue for Other Revenue		5,000	

YEAR 2: Postclosing Trial Balance

USSGL Account	Debit	Credit
<u>Budgetary</u>		
4201 Total Actual Resources - Collected	15,000	
4450 Unapportioned Authority		15,000
Total	15,000	15,000
<u>Proprietary</u>		
1010 Fund Balance With Treasury	15,000	
3310 Cumulative Results of Operations		15,000
Total	15,000	15,000

YEAR 2: FMS 2108 YEAREND CLOSING STATEMENT

Column 2. Preclosing Unexpended Balance – Treasury supplied	15,000
Column 5. Postclosing Unexpended Balance (1010E)	15,000
Column 6. Other Authorizations	
Column 7. Reimbursements Earned and Refunds	
Column 8. Unfilled Customer Orders	
Column 9. Undelivered Orders and Contracts	
Column 10. Accounts Payable and Other Liabilities	
Column 11. Unobligated Balance (4610E)	15,000
(Columns 5+6+7+8 = 9+10+11) (Column 2=5)	Yes, Yes

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**YEAR 2: SF 133 STATEMENT OF BUDGETARY EXECUTION AND BUDGETARY
RESOURCES and PROGRAM AND FINANCING (P&F) SCHEDULE**

BUDGETARY RESOURCES	
Unobligated balance:	
1000 Unobligated balance brought forward, October 1 (4201B)	20,000
1910 Total budgetary resources (Sum of combined total of unobligated balances, budget authority, and line 1901)	
	20,000
STATUS OF BUDGETARY RESOURCES	
Obligations incurred:	
Reimbursable:	
2101 Category A (by quarter) (4902E)	5,000
2104 Reimbursable obligations (total) (calc. lines 2101 through 2103)	5,000
Unobligated balance:	
Apportioned:	
2201 Available in the current period (4610E)	15,000
2500 Total budgetary resources (Sum of lines 2001..2403. Also equals line 1910)	20,000
CHANGE IN OBLIGATED BALANCES	
Obligations incurred, (gross)	
3030 Unexpired accounts (4902E)	5,000
3040 Outlays, (gross) (4902E)	(5,000)
3100 Obligated balance, end of year (net) (calc. lines 3000, 3001, 3010, 3011, 3030, 3031, 3040, 3050, 3051, 3060, 3061, 3070, 3071, 3080, and 3081)	5,000
BUDGET AUTHORITY AND OUTLAYS, NET	
Discretionary:	
Gross budget authority and outlays:	
4000 Budget authority, gross (calc.)	0
4011 Outlays from discretionary balances (4902E)	5,000
4020 Total outlays, gross (disc.) (calc. lines 4010 through 4011)	5,000
Offsets	
4070 Budget authority, net (discretionary)	0
4080 Outlays, net (discretionary) (calc. lines 4010 through 4011 plus the amounts on lines 4030 through 4034)	5,000

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YEAR 2: CONSOLIDATED BALANCE SHEET

Assets:

Intragovernmental:

1. Fund Balance With Treasury (1010E)	15,000
6. Total Intragovernmental	15,000
15. Total Assets	15,000

Liabilities:

28. Total Liabilities	0
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Net Position:

33. Cumulative Results of Operations – Other Funds (3310B, 5909E)	15,000
34. Total Net Position	15,000
35. Total Liabilities and Net Position	15,000

YEAR 2: CONSOLIDATED STATEMENT OF NET COST

Program Costs:

1. Gross costs	0
2. Less: Earned Revenue (5909E)	5,000
3. Net Program Costs	5,000
4. Costs not assigned to programs	0
5. Less: Earned revenues not attributed to programs	0
6. Net Cost of Operations	5,000

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YEAR 2: CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

Cumulative Results of Operations:

1. Beginning Balances (3310B)	20,000
3. Beginning Balances, as Adjusted	20,000

Budgetary Financing Sources:

14. Total Financing Sources	0
15. Net Cost of Operations	(5,000)
16. Net Change	(5,000)
17. Cumulative Results of Operations	15,000

Unexpended Appropriations:

18. Beginning Balances	0
20. Beginning Balances, as Adjusted	0

Budgetary Financing Sources:

25. Total Budgetary Financing Sources	0
26. Total Unexpended Appropriations	0
27. Net Position	15,000