**Debt Forgiveness Appropriation versus No Appropriation**

**Effective Fiscal Year 2018**

**Prepared By:**

**General Ledger Advisory Branch**

**Bureau of the Fiscal Service**

**Department of the Treasury**

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| **Version Number** | **Date**  | **Description of Change** | **Effective****USSGL TFM** |
| 1.0 | 5/17/2012 | Initial | S2 12-03 |
| 2.0 | July 2018 | Implementation of additional posting logic for cancellation of debt adjustment | Bulletin No. 2018-08 |

 **NOTE**: This scenario follows USSGL TFM Bulletin No. 2018-05

**Background**

On occasion, Congress enacts into Public Law an appropriation for the forgiveness of debt. When that occurs, the Department of Treasury processes a Treasury warrant, and subsequently, the receiving entity must repay the debt back to the Bureau of the Fiscal Service. This may occur in general funds, revolving funds, special funds, and trust funds (revolving and non-revolving). This activity does not currently occur in credit reform accounts.

Appropriation language for the forgiveness of debt is different than the typical appropriation language provided by Congress. Forgiveness of debt appropriation do not provide new budgetary resources from which to obligate. Instead, the budget authority granted is immediately used to repay the debt, resulting in zero budgetary resources.

When appropriations are enacted pertaining to borrowings by special or non-revolving trust funds, a Treasury appropriation warrant will be processed into a specific agency general fund expenditure account, and then subsequently transferred to the applicable special or non-revolving trust fund expenditure account.

In addition, there have been instances where a Public Law is enacted for the forgiveness of debt without receiving an appropriation. A negative surplus warrant is processed when the legislation doesn’t explicitly state that there is an appropriation received for the debt forgiveness.

Debt Forgiveness with an Appropriation Warrant

* Refer to Attachment A for a scenario addressing general and revolving fund expenditure accounts with borrowing authority (Appropriation Warrant)
* Refer to Attachment B for a scenario addressing special and non-revolving trust funds with borrowing authority (Appropriation Warrant)

Debt Forgiveness without an Appropriation Warrant

* Refer to Attachment C for a scenario addressing general and revolving fund expenditure accounts with borrowing authority (No Appropriation - Negative Surplus Warrant)
* Refer to Attachment D for a scenario addressing special and non-revolving trust funds with borrowing authority (No Appropriation - Negative Surplus Warrant)

**NEW USSGL ACCOUNT FOR FISCAL 2018**:

**Account Number**: 411601
**Account Title**: Debt Forgiveness – Cancellation of Debt Adjustments
**Normal Balance**: Debit

**Definition**: The amount of adjustment to budgetary resources where Congress provides the legal authority to cancel outstanding debt.

**Justification**: A new USSGL account is needed to capture and distinguish a unique form of an adjustment to budgetary resources that cancels outstanding debt.

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| **Impact on USSGL Proprietary and Budgetary Account Attribute Table[[1]](#footnote-1)****Fiscal 2018** |
| **USSGL Account** | **USSGL** | **Bulk File Attributes** | **TAS Attributes** |
|  | Normal Bal. Ind. | Antic-ipated | Budg/Prop | Auth Type Code | BEA Cat | Begin/End | Debit/Credit | PY Adj | FinAcctInd | Fund Type | ReportingTypeCode | TAS Status | Trans.Code |
| 411601 | D | N | B | P | D/M | E | D/C | B/P/X | N | EG/EC/EM/EP/ER/ES/ET/TR | E/U | U/E | N/X |

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| **Impact on USSGL Crosswalks****Fiscal 2018** |
| **USSGL Account** | **SF 133** | **Schedule P** | **Balance Sheet** | **Stmt of Net Cost** | **Stmt of Changes in Net Position** | **Stmt of Cust Activ** | **Stmt of Budgetary****Resources** |
| 411601 | Lines 1020, 1036 | Lines 1020, 1036 | N/A | N/A | N/A | N/A | Line 1051 |

Attachment A

Debt Forgiveness Appropriation versus No Appropriation:

General and Revolving Fund Expenditure Accounts

With Borrowing Authority (Appropriation Warrant)

**Attachment A – General and Revolving Fund Expenditure Accounts with Borrowing Authority**

**Scenario Assumptions**

* The Budget Enforcement Act (BEA) category for illustration purposes is Discretionary.
* The Revolving Fund Expenditure Account Treasury Account Symbol (TAS) displayed is:

	+ 70X4000, “Revolving Fund Expenditure account”

		- TAS 70X4000 is a not a dedicated collection fund
		- TAS 70X4000 has definite borrowing authority
* The beginning trial balances carry forward balances of borrowing authority (unobligated) and outstanding debt.

**Listing of USSGL Accounts Used in This Scenario (Attachment A)**

|  |  |
| --- | --- |
| **Account Number** | **Account Name** |
|  |  |
| Budgetary |  |
| 404700 | Anticipated Transfers to the General Fund of the U.S. Government -Current-Year Authority |
| 411600 | Debt Forgiveness Appropriation |
| 414500 | Borrowing Authority Converted to Cash |
| 414600 | Actual Repayments of Debt, Current-Year Authority |
| 414800 | Resources Realized From Borrowing Authority |
| 414900 | Borrowing Authority Carried Forward |
| 420100 | Total Actual Resources – Collected |
| 445000 | Unapportioned Authority |
|  |  |
| Proprietary |  |
| 101000 | Fund Balance With Treasury |
| 251000 | Principal Payable to the Bureau of the Fiscal Service |
| 310000 | Unexpended Appropriations – Cumulative |
| 310100 | Unexpended Appropriations – Appropriations Received |
| 310700 | Unexpended Appropriations - Used |
| 331000 | Cumulative Results of Operations |
| 570000 | Expended Appropriations |

**Illustrative Transactions**

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| **Beginning Trial Balances** |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** |
| **Budgetary**414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**331000 Cumulative Results of Operations 251000 Principal Payable to the Bureau of the Fiscal Service | 125,000 -125,000150,000 -150,000 | 125,000125,000150,000150,000 |

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| 1A. To record the enactment of appropriation to retire debt in P.L. \_\_\_\_\_. The agency initiates the requests for Treasury to process the appropriation warrant. The warrant should reference that “A debt owed to the U.S. Treasury has been cancelled perP.L. \_\_\_\_\_.” |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**411600 Debt Forgiveness Appropriation 445000 Unapportioned Authority**Proprietary Entry**101000 Fund Balance With Treasury 310100 Unexpended Appropriations – Appropriations Received | 100,000100,000 | 100,000100,000 | A104 |

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| 1B. To record the anticipated nonexpenditure transfer to the Bureau of the Fiscal Service.  |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**445000 Unapportioned Authority  404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority**Proprietary Entry**None | 100,000 | 100,000 | A142 |

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| 2. To record principal repayments to the Bureau of the Fiscal Service via nonexpenditure transfer. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority 414600 Actual Repayments of Debt, Current-Year Authority **Proprietary Entry**251000 Principal Payable to the Bureau of the Fiscal Service 101000 Fund Balance With Treasury310700 Unexpended Appropriations - Used 570000 Expended Appropriations | 100,000100,000100,000 | 100,000100,000100,000 |  B120B134 |

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| 3. To record the drawing of cash to fund borrowing authority from the Bureau of the Fiscal Service.  |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**414800 Resources Realized From Borrowing Authority 414500 Borrowing Authority Converted to Cash**Proprietary Entry**101000 Fund Balance With Treasury 251000 Principal Payable to the Bureau of the Fiscal Service | 50,00050,000 | 50,00050,000 | A156 |

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| **Pre-Closing Adjusted Trial Balances** |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** |
| **Budgetary**404700 Transfers to the General Fund of the U.S. Government – Current-Year Authority411600 Debt Forgiveness Appropriation414500 Borrowing Authority Converted to Cash414600 Actual Repayments of Debt, Current-Year  Authority414800 Resources Realized From Borrowing Authority414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service310100 Unexpended Appropriations – Appropriation Received310700 Unexpended Appropriations – Used331000 Cumulative Results of Operations570000 Expended AppropriationsTOTAL | -100,00050,000125,000\_\_ - 275,00050,000100,000150,000 \_\_ -300,000 | 50,000100,000125,000275,000100,000100,000100,000300,000 |

**Closing Entries**

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| C1. To record the consolidation of actual net-funded resources. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**414600 Actual Repayments of Debt, Current-Year Authority420100 Total Actual Resources - Collected 411600 Debt Forgiveness Appropriation414800 Resources Realized From Borrowing Authority**Proprietary Entry**None | 100,00050,000 | 100,00050,000 | F302 |

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| --- |
| C2. To record the closing of fiscal-year borrowing authority. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**414500 Borrowing Authority Converted to Cash 414900 Borrowing Authority Carried Forward**Proprietary Entry**None | 50,000 | 50,000 | F306 |

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| --- |
| C3. To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**570000 Expended Appropriations 331000 Cumulative Results of Operations | 100,000 | 100,000 | F336 |

|  |
| --- |
| C4. To record closing of fiscal-year activity to unexpended appropriations. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**310100 Unexpended Appropriations – Appropriations Received 310700 Unexpended Appropriations - Used | 100,000 | 100,000 | F342 |

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| --- |
| **Post-Closing Trial Balances** |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** |
| **Budgetary**414900 Borrowing Authority Carried Forward420100 Total Actual Resources - Collected 445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service331000 Cumulative Results of OperationsTOTAL | 75,000 50,000\_\_ - 125,00050,000 50,000100,000 | 125,000125,000100,000\_\_ -100,000 |

**SF 133: STATEMENT OF BUDGETARY EXECUTION AND BUDGETARY RESOURCES and SCHEDULE P: BUDGET PROGRAM AND FINANCING SCHEDULE**

|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
| --- | --- |
| **SF133 Line** | **Sch P Line** |
| **OBLIGATIONS BY PROGRAM ACTIVITY** |  |  |
|  |  |  |
| 0900 Total new obligations, unexpired accounts | - | - |
|  |  |  |
| **BUDGETARY RESOURCES** |  |  |
|  |  |  |
| **Unobligated balance:** |  |  |
| 1000 Unobligated balance brought forward, Oct 1 (414900B, 420100B) | 125,000 | 125,000 |
|  |  |  |
|  |  |  |
| **Budget Authority:** |  |  |
| **Appropriations:** |  |  |
| **Discretionary:** |  |  |
| 1050 Unobligated Balance (total).  | 125,000) | 125,000 |
| 1100 Appropriation (411600E) | 100,000 | 100,000 |
| 1135 Appropriation applied to repay debt (-) (414600E) | (100,000) | (100,000) |
| 1910 Total budgetary resources | 125,000 | 125,000 |
| 1930 Total budgetary resources available  | 125,000 | 125,000 |
|  |  |  |
| **Memorandum (Non-Add) Entries:** |  |  |
| 1941 Unexpired unobligated balance, end of year (445000E) | - | 125,000 |
|  |  |  |
| **STATUS OF BUDGETARY RESOURCES** |  |  |
| **New obligations and upward adjustments:** |  |  |
| **Direct:** |  |  |
| 2001 Category A (by quarter) (490200E) |  |  |
|  |  |  |
| **Unobligated Balance** |  |  |
| **Unapportioned, unexpired accounts** |  |  |
| 2403 Other (445000E) | 125,000 | - |
| 2500 Total budgetary resources) | 125,000 | - |
| **CHANGE IN OBLIGATED BALANCE** |  |  |
| **Obligated balance, start of year (net):** |  |  |
| 3010 New Obligation, unexpired accounts (490200E) |  |  |
| 3020 Outlays (gross) (-) (490200E) |  |  |
|  |  |  |
|  |  |  |
| **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |
| 4180 Budget authority, net (total) | - | - |
| 4190 Outlays, net (total) | - | - |

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| --- |
| **BALANCE SHEET** |
|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
| **Assets:** |  |
|  Intragovernmental: |  |
|  1. Fund Balance With Treasury (Note 3) (101000E) | 50,000 |
| 15. Total Assets (calc 1..5) | **50,000** |
|  |  |
| **Liabilities:** |  |
|  Intragovernmental: |  |
|  18. Debt (Note 14) (251000E) | 100,000 |
| 28. Total Liabilities (calc 20..27) | 100,000 |
|  |  |
| **Net Position:** |  |
|  31. Unexpended Appropriations - Other Funds (310100E, 310700E) | - |
|  32. Cumulative Results of Operations – Other Funds (Note 21) (570000E) | (50,000) |
|  34. Total Net Position (calc.) | (50,000) |
| 35. Total Liabilities and Net Position (calc.) | **50,000** |

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| **STATEMENT OF NET COST** |
|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
|  | - |
| Program Costs: |
| 1. Gross costs (Note 22) |
|  |
| 3. Net Program Costs (sum of 1 minus 2) |
|  |
| **8. Net cost of operations** |

|  |
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| **STATEMENT OF CHANGES IN NET POSITION** |
|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
|  | **All Other Funds** | **Dedicated Collections** |
| Cumulative Results of Operations: |  |  |
| 1. Beginning Balances | (150,000) |  |
| 3. Beginning Balances, as Adjusted (calc) | (150,000) |  |
|  |  |  |
| Budgetary Financing Sources: |  |  |
| 5. Appropriations Used (570000E) | 100,000 |  |
|  |  |  |
| 14. Total Financing Sources (sum of 4 through 14) | 100,000 |  |
|  |  |  |
| 15. Net Cost of Operations (+/-) | - |  |
|  |  |  |
| 16. Net Change (sum of 14 minus 15) | 100,000 |  |
|  |  |  |
| 17. Cumulative Results of Operations (sum of 3 and 16) | (50,000) |  |
|  |  |  |
| Unexpended Appropriations: |  |  |
|  |  |  |
| Budgetary Financing Sources: |  |  |
| 21. Appropriations Received (310100E) | 100,000 |  |
| 24. Appropriations Used (310700E) | (100,000) |  |
| 25. Total Budgetary Financing Sources (sum of 21 through 24) | - |  |
|  |  |  |
| **27. Net Position (sum of 17 and 26)** | **(50,000)** |  |

| **STATEMENT OF BUDGETARY RESOURCES** | **Revolving Fund Expenditure Account****TAFS 70X4000** |
| --- | --- |
| **budgetary resources:** |  |
| 1000 Unobligated balance brought forward, October (414900B) | 125,000 |
| 1051 Unobligated balance from prior year budget authority, net (discretionary and mandatory) | 125,000 |
| 1290 Appropriations (discretionary and mandatory) (411600E, 414600E) | - |
| 1910 Total Budgetary Resources | **125,000** |
| **status of budgetary resources:** |  |
| 2404 Unapportioned, unexpired accounts (445000E) | 125,000 |
| 2490 Unobligated balance, end of year  | 125,000 |
| 2500 Total Budgetary  | **125,000** |
|  |  |
| **change in obligated balance:** |  |
| 3012 New obligations and upward adjustments | - |
| 3020 Outlays, (gross) (-) | - |
| 3200 Obligated balance, end of year (net)  |  |
|  |  |
| **OUTLAYS, NET:** |  |
| 4180 Budget Authority, net (total)  | - |
| 4190 Outlays, net (total)  |  |

Attachment B

Debt Forgiveness Appropriation versus No Appropriation:

Special and Non-Revolving Trust Fund Expenditure Accounts

With Borrowing Authority (Appropriation Warrant)

**Attachment B – Special or Non-Revolving Trust Fund Expenditure Accounts with Borrowing Authority**

**Background**

When appropriations are enacted pertaining to borrowings by special or non-revolving trust funds, a Treasury appropriation warrant will be processed into a specific agency general fund expenditure account, and then subsequently transferred to the applicable special or non-revolving trust fund expenditure account. This general fund expenditure account is sometimes referred to as a “feeder” account. Although the concept of feeder accounts has been predominantly phased out, it still exists for debt forgiveness situations. Prior to the activity occurring, the agency must request that Treasury establish the proper general fund expenditure account and special or trust fund available receipt account pertaining to the enacted legislation.

**Scenario Assumptions**

* This example illustrates an agency General Fund Expenditure Account Treasury Account Symbol (TAS) 12X0001, and Trust Fund Expenditure TAS 12X8000. (Available Trust Fund Receipt Account TAS 12X8000.00X is not shown in this illustration, because USSGL presentations involving ‘available’ trust fund receipt and expenditure accounts are combined and shown in the expenditure account only.)

	+ TAS 12X0001 and 12X8000 are not dedicated collection funds
	+ TAS 12X0001 and 12X8000 has definite borrowing authority
* The Budget Enforcement Act (BEA) category for illustration purposes is Discretionary.
* The beginning trial balances of the agency general fund are zero.
* The beginning trial balances of the agency trust fund expenditure account carry forward balances of borrowing authority (unobligated) and outstanding debt.

**Listing of USSGL Accounts Used in This Scenario (Attachment B)**

|  |  |
| --- | --- |
| **Account Number** | **Account Name** |
|  |  |
| Budgetary |  |
| 404700 | Anticipated Transfers to the General Fund of the U.S. Government -Current-Year Authority |
| 411400 | Appropriated Receipts Derived from Available Trust or Special Fund Receipts |
| 411600 | Debt Forgiveness Appropriation |
| 412000 | Anticipated Indefinite Appropriations |
| 414500 | Borrowing Authority Converted to Cash |
| 414600 | Actual Repayments of Debt, Current-Year Authority |
| 414800 | Resources Realized From Borrowing Authority |
| 414900 | Borrowing Authority Carried Forward |
| 420100 | Total Actual Resources – Collected |
| 445000 | Unapportioned Authority |
| 451000 | Apportionments |
| 461000 | Allotments – Realized Resources |
| 490200 | Delivered Orders - Obligations, Paid |
|  |  |
| Proprietary |  |
| 101000 | Fund Balance With Treasury |
| 251000 | Principal Payable to the Bureau of the Fiscal Service |
| 310000 | Unexpended Appropriations – Cumulative |
| 310100 | Unexpended Appropriations – Appropriations Received |
| 310700 | Unexpended Appropriations - Used |
| 331000 | Cumulative Results of Operations |
| 570000 | Expended Appropriations |
| 575000 | Expenditure Financing Sources - Transfers-In |
| 576000 | Expenditure Financing Sources - Transfers-Out |

**Illustrative Transactions**

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| **Beginning Trial Balances** |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** |
| **Budgetary**None**Proprietary**None |  |  | **Budgetary**414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**331000 Cumulative Results of Operations251000 Principal Payable to the Bureau of the  Fiscal Service | 125,000\_ - 125,000150,000\_ - 150,000 | 125,000125,000150,000150,000 |

|  |
| --- |
| 1A. To record the enactment of appropriation to retire debt in P.L. \_\_\_\_\_. The agency initiates the requests for Treasury to process the appropriation warrant to the designated general fund expenditure account. The warrant should reference that “A debt owed to the U.S. Treasury has been cancelled per P.L. \_\_\_\_\_.” |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**411600 Debt Forgiveness Appropriation 445000 Unapportioned Authority**Proprietary Entry**101000 Fund Balance With Treasury 310100 Unexpended Appropriations – Appropriations Received | 100,000100,000 | 100,000100,000 | A104 | None |  |  |  |

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| --- |
| 1B. To record the apportionment and allotment in the general fund expenditure account |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**445000 Unapportioned Authority 451000 Apportionments451000 Apportionments 461000 Allotments – Realized Resources**Proprietary Entry**None | 100,000100,000 | 100,000100,000 | A116A120 | None |  |  |  |

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| --- |
| 1C. To record the anticipated expenditure transfer from the general fund expenditure account to the trust fund via the trust fund receipt account.  |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
|  None |  |  |  | **Budgetary Entry**412000 Anticipated Indefinite Appropriation 445000 Unapportioned Authority**Proprietary Entry**None | 100,000 | 100,000 | A102 |

|  |
| --- |
| 1D. To record the expenditure transfer from the general fund expenditure account to the trust fund via the trust fund receipt account.  |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry[[2]](#footnote-2)**461000 Allotments – Realized Resources  490200 Delivered Orders –  Obligations, Paid**Proprietary Entry**576000 Expenditure Financing Sources - Transfers-Out 101000 Fund Balance With TreasuryAnd310700 Unexpended Appropriations - Used 570000 Expended Appropriations | 100,000100,000100,000 | 100,000100,000100,000 | A514B134 | **Budgetary Entry**445000 Unapportioned Authority  412000 Anticipated Indefinite Authority411400 Appropriated Trust or Special Fund Receipts 445000 Unapportioned Authority**Proprietary Entry**101000 Fund Balance With Treasury 575000 Expenditure Financing Sources - Transfers-In | 100,000100,000100,000 | 100,000100,000100,000 | A102(Reverse)A510 |

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| --- |
| 1E. To record, in the trust fund, the anticipated nonexpenditure transfer to the Bureau of the Fiscal Service.  |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**445000 Unapportioned Authority  404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year  Authority**Proprietary Entry**None | 100,000 | 100,000 | B306 |

|  |
| --- |
| 2. To record, in the trust fund, principal repayments to the Bureau of the Fiscal Service via nonexpenditure transfer. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority 414600 Actual Repayments of Debt, Current-Year Authority**Proprietary Entry**251000 Principal Payable to the Bureau of the Fiscal Service 101000 Fund Balance With Treasury | 100,000100,000 | 100,000100,000 | B120 |

|  |
| --- |
| 3. To record the drawing of cash in the trust fund expenditure account to fund borrowing authority from the Bureau of the Fiscal Service. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**414800 Resources Realized From Borrowing Authority 414500 Borrowing Authority Converted to Cash**Proprietary Entry**101000 Fund Balance With Treasury 251000 Principal Payable to the Bureau of the Fiscal Service | 50,00050,000 | 50,00050,000 | A156 |

|  |
| --- |
| **Pre-Closing Adjusted Trial Balances** |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** |
| **Budgetary**411601 Debt Forgiveness – Cancellation of Debt Adjustment445000 Unapportioned Authority490200 Delivered Orders - Obligations, PaidTOTAL**Proprietary**101000 Fund Balance With Treasury310100 Unexpended Appropriations –  Appropriations Received310700 Unexpended Appropriations - Used570000 Expended Appropriations576000 Expenditure Financing Sources - Transfers-OutTOTAL | 100,000\_ - 100,000-100,000100,000200,000 | -100,000100,000100,000100,000 \_ -200,000 | **Budgetary**404700 Transfers to the General Fund of the U.S. Government – Current-Year  Authority411400 Appropriated Trust or Special Fund Receipts414500 Borrowing Authority Converted to Cash414600 Actual Repayments of Debt, Current-Year  Authority414800 Resources Realized From Borrowing Authority414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service331000 Cumulative Results of Operations575000 Expenditure Financing Sources - Transfers-InTOTAL | 100,00050,000125,000\_ - 275,00050,000150,000 \_ - 200,000 | -50,000100,000125,000275,000100,000100,000200,000 |

**Closing Entries**

|  |
| --- |
| C1. To record the consolidation of actual net-funded resources. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**420100 Total Actual Resources - Collected 411600 Debt Forgiveness  Appropriation **Proprietary Entry**None | 100,000 | 100,000 | ModF302 | **Budgetary Entry**414600 Actual Repayments of Debt, Current-Year  Authority420100 Total Actual Resources - Collected 411400 Appropriated Trust or Special Fund Receipts414800 Resources Realized From Borrowing Authority**Proprietary Entry**None | 100,00050,000 | 100,00050,000 | F302 |

|  |
| --- |
| C2. To record the closing of fiscal-year borrowing authority. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**414500 Borrowing Authority Converted to Cash 414900 Borrowing Authority Carried Forward**Proprietary Entry**None | 50,000 | 50,000 | F306 |

|  |
| --- |
| C3. To record the closing of paid delivered orders to total actual resources. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**490200 Delivered Orders – Obligations, Paid 420100 Total Actual Resources - Collected**Proprietary Entry**None | 100,000 | 100,000 | F314 | None |  |  |  |

|  |
| --- |
| C4. To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**570000 Expended Appropriations 576000 Expenditure Financing Sources - Transfers-Out | 100,000 | 100,000 | F336 | **Budgetary Entry**None**Proprietary Entry**575000 Expenditure Financing Sources - Transfers-In 331000 Cumulative Results of Operations | 100,000 | 100,000 | F336 |

|  |
| --- |
| C5. To record closing of fiscal-year activity to unexpended appropriations. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**310100 Unexpended Appropriations – Appropriations Received 310700 Unexpended Appropriations - Used | 100,000 | 100,000 | F342 | None |  |  |  |

|  |
| --- |
| **Post-Closing Trial Balances** |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** |
| **Budgetary**None**Proprietary**None |  |  | **Budgetary**414900 Borrowing Authority Carried Forward420100 Total Actual Resources - Collected 445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service331000 Cumulative Results of OperationsTOTAL | 75,00050,000 -125,00050,00050,000100,000 | 125,000125,000100,000 -100,000 |

**SF 133: STATEMENT OF BUDGETARY EXECUTION AND BUDGETARY RESOURCES and SCHEDULE P: BUDGET PROGRAM AND FINANCING SCHEDULE**

|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
| --- | --- | --- |
| **SF133 Line** | **Sch P Line** | **SF133 Line** | **Sch P Line** |
| **OBLIGATIONS BY PROGRAM ACTIVITY** |  |  |  |  |
|  |  |  |  |  |
| 0900 Total new obligations,unexpired accounts (490200E) |  | 100,000 |  |  |
|  |  |  |  |  |
| **BUDGETARY RESOURCES** |  |  |  |  |
|  |  |  |  |  |
| **Unobligated balance:** |  |  |  |  |
| 1000 Unobligated balance brought forward, October 1 (414900B) |  |  | 125,000 | 125,000 |
|  |  |  |  |  |
| **Budget Authority:** |  |  |  |  |
| **Appropriations:** |  |  |  |  |
| **Discretionary:** |  |  |  |  |
| 1050 Unobligated Balance (total).  |  |  | 125,000 | 125,000 |
| 1100 Appropriation (411600E) | 100,000 | 100,000 | - | - |
| 1101 Appropriation (special or trust fund) (411400E) |  |  | 100,000 | 100,000 |
| 1135 Appropriations applied to repay debt (-) (414600E, Auth Type “P”) |  |  | (100,000) | (100,000) |
| 1910 Total budgetary resources | 100,000 |  | - |  |
| 1930 Total budgetary resources available  |  | 100,000 |  | - |
|  |  |  |  |  |
| **Memorandum (Non-Add) Entries:** |  |  |  |  |
| 1941 Unexpired unobligated balance, end of year (445000E) |  |  |  | 125,000 |
|  |  |  |  |  |
| **STATUS OF BUDGETARY RESOURCES** |  |  |  |  |
| **New obligations and upward adjustments:** |  |  |  |  |
| **Direct:** |  |  |  |  |
| 2001 Category A (by quarter) (490200E) | 100,000 |  |  |  |
|  |  |  |  |  |
| **Unobligated Balance** |  |  |  |  |
| **Unapportioned, unexpired accounts** |  |  |  |  |
| 2403 Other (445000E) |  |  | 125,000 |  |
| 2500 Total budgetary resources  |  |  |  |  |
|  |  |  |  |  |
| **CHANGE IN OBLIGATED BALANCE** |  |  |  |  |
| **Obligated balance, start of year (net):** |  |  |  |  |
| 3010 Obligations incurred, unexpired accounts (490200E) | 100,000 | 100,000 |  |  |
| 3020 Outlays (gross) (-) (490200E) | (100,000) | (100,000) |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |  |  |
| **Discretionary:** |  |  |  |  |
| **Gross budget authority and outlays:** |  |  |  |  |
| 4000 Budget authority, gross  | 100,000 | 100,000 | - | - |
| 4010 Outlays from new discretionary authority (490200E) | 100,000 | 100,000 | - | - |
| 4020 Outlays, gross (total) (490200E) | 100,000 | 100,000 | - | - |
| 4180 Budget authority, net (total)  | 100,000 | 100,000 | - | - |
| 4190 Outlays, net (total)  | 100,000 | 100,000 | - | - |

|  |
| --- |
| **BALANCE SHEET** |
|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
| **Assets:** |  |  |
|  Intragovernmental: |  |  |
|  1. Fund Balance With Treasury (Note 3) (101000E) | - | 50,000 |
| 15. Total Assets (calc 1..5) | **-** | **50,000** |
|  |  |  |
| **Liabilities:** |  |  |
|  Intragovernmental: |  |  |
|  18. Debt (Note 14) (251000E) |  | 100,000 |
| 28. Total Liabilities (calc 20..27) |  |  |
|  |  |  |
| **Net Position:** |  |  |
|  31. Unexpended Appropriations - Other Funds (310100E, 310700E) |  |  |
|  32. Cumulative Results of Operations – Other Funds (Note 21) (575000E, 576000E,331000E) | - | (50,000) |
|  34. Total Net Position (calc.) | - | (50,000) |
| 35. Total Liabilities and Net Position (calc.) | **-** | **50,000** |

|  |
| --- |
| **STATEMENT OF NET COST** |
|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
|  | - | - |
| Program Costs: |
| 1. Gross costs (Note 22) |
|  |
| 3. Net Program Costs (sum of 1 minus 2) |
|  |
| **8. Net cost of operations** |

| **STATEMENT OF CHANGES IN NET POSITION** |
| --- |
|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
|  | **All Other Funds** | **Dedicated Collection Funds** | **All Other Funds** | **Dedicated Collection Funds** |
| Cumulative Results of Operations: |  |  |  |  |
| 1. Beginning Balances |  |  | (150,000) |  |
| 3. Beginning Balances, as Adjusted (calc) |  |  | (150,000) |  |
|  |  |  |  |  |
| Budgetary Financing Sources: |  |  |  |  |
| 5. Appropriations Used (570000E) | 100,000 |  |  |  |
| 8. Transfers-In/Out Without Reimbursement (+/-) (575000E, 576000E) | (100,000) |  | 100,000 |  |
| 14. Total Financing Sources (sum of 4 through 14) | - |  | 100,000 |  |
|  |  |  |  |  |
| 15. Net Cost of Operations (+/-) | - |  | - |  |
|  |  |  |  |  |
| 16. Net Change (sum of 14 minus 15) | - |  | 100,000 |  |
|  |  |  |  |  |
| 17. Cumulative Results of Operations (sum of 3 and 16) | - |  | (50,000) |  |
|  |  |  |  |  |
| Unexpended Appropriations: |  |  |  |  |
|  |  |  |  |  |
| Budgetary Financing Sources: |  |  |  |  |
| 21. Appropriations Received (310100E) | 100,000 |  |  |  |
| 24. Appropriations Used (310700E) | (100,000) |  |  |  |
| 25. Total Budgetary Financing Sources (sum of 21 through 24) | - |  |  |  |
|  |  |  |  |  |
| **27. Net Position (sum of 17 and 26)** | **-** |  | **(50,000)** |  |
|  |  |  |  |  |

| **STATEMENT OF BUDGETARY RESOURCES** | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
| --- | --- | --- |
| **budgetary resources:** |  |  |
| 1000 Unobligated balance brought forward, October (414900B) |  | 125,000 |
| 1290 Appropriations (discretionary and mandatory) (411400E, 411600E, 414600E) | 100,000 | 0 |
| 1051Unobligated balance from prior year budget authority, net (discretionary and mandatory) | 100,000 | 125,000 |
| 1910 Total Budgetary Resources  | **100,000** | **125,000** |
|  |  |  |
| **status of budgetary resources:** |  |  |
| 2190 Obligations incurred (490200E) | 100,000 |  |
| 2404 Unapportioned, unexpired accounts (445000E) |  | 125,000 |
| 2490 Unobligated balance, end of year (total)  |  | 125,000 |
| 2500 Total Budgetary Resources  | **100,000** | **125,000** |
|  |  |  |
| **change in obligated balance:** |  |  |
| 3012 Obligations incurred (490200E) | 100,000 |  |
| 3020 Outlays, (gross) (-) (490200E) | (100,000) |  |
| 3200 Obligated balance, end of year (net) | - |  |
| **OUTLAYS, NET:** |  |  |
| 4180 Budget Authority, net (total)  | 100,000 | - |
| 4185 Outlays, gross (discretionary and mandatory) (490200E) | 100,000 |  |
| 4190 Outlays, net (total)  | 100,000 |  |

Attachment C

Debt Forgiveness Appropriation versus No Appropriation:

General and Revolving Fund Expenditure Accounts

With Borrowing Authority (No Appropriation - Negative Surplus Warrant)

**Attachment C – General and Revolving Fund Expenditure Accounts with Borrowing Authority**

**Scenario Assumptions**

* The Budget Enforcement Act (BEA) category for illustration purposes is Discretionary.
* The Revolving Fund Expenditure Account Treasury Account Symbol (TAS) displayed is:

	+ 70X4000, “Revolving Fund Expenditure account”

		- TAS 70X4000 is a not a dedicated collection fund
		- TAS 70X4000 has definite borrowing authority
* The beginning trial balances carry forward balances of borrowing authority (unobligated) and outstanding debt.

**Listing of USSGL Accounts Used in This Scenario (Attachment C)**

|  |  |
| --- | --- |
| **Account Number** | **Account Name** |
|  |  |
| Budgetary |  |
| 404800 | Anticipated Transfers to the General Fund of the U.S. Government -Prior-Year Balances |
| 411601 | Debt Forgiveness – Cancellation of Debt Adjustment |
| 414500 | Borrowing Authority Converted to Cash |
| 414700 | Actual Repayments of Debt, Prior-Year Balances |
| 414800 | Resources Realized From Borrowing Authority |
| 414900 | Borrowing Authority Carried Forward |
| 420100 | Total Actual Resources – Collected |
| 445000 | Unapportioned Authority |
|  |  |
| Proprietary |  |
| 101000 | Fund Balance With Treasury |
| 251000 | Principal Payable to the Bureau of the Fiscal Service |
| 310000 | Unexpended Appropriations – Cumulative |
| 310600 | Unexpended Appropriations – Adjustments |
| 310700 | Unexpended Appropriations - Used |
| 331000 | Cumulative Results of Operations |
| 570000 | Expended Appropriations |

**Illustrative Transactions**

|  |
| --- |
| **Beginning Trial Balances** |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** |
| **Budgetary**414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**331000 Cumulative Results of Operations251000 Principal Payable to the Bureau of the Fiscal Service | 125,000 -125,000150,000 -150,000 | 125,000125,000150,000150,000 |

|  |
| --- |
| 1A. To record the cancellation of debt to retire debt in P.L. \_\_\_\_\_. The agency initiates the requests for Treasury to process the negative surplus warrant. The negative surplus warrant should reference that “A debt owed to the U.S. Treasury has been cancelled per P.L. \_\_\_\_\_.” |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**411601 Debt Forgiveness - Cancellation of Debt Adjustment 445000 Unapportioned Authority**Proprietary Entry**101000 Fund Balance With Treasury 310600 Unexpended Appropriations – Adjustments | 100,000100,000 | 100,000100,000 | NewA200 |

|  |
| --- |
| 1B. To record the anticipated nonexpenditure transfer to the Bureau of the Fiscal Service. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**445000 Unapportioned Authority  404800 Anticipated Transfers to the General Fund of the U.S. Government - Prior-Year  Balances**Proprietary Entry**None | 100,000 | 100,000 | A142 |

|  |
| --- |
| 2. To record principal repayments to the Bureau of the Fiscal Service via nonexpenditure transfer. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**404800 Anticipated Transfers to the General Fund of the U.S. Government - Prior-Year  Balances 414700 Actual Repayments of Debt, Prior-Year  Balances**Proprietary Entry**251000 Principal Payable to the Bureau of the Fiscal Service 101000 Fund Balance With Treasury310700 Unexpended Appropriations - Used 570000 Expended Appropriations | 100,000100,000100,000 | 100,000100,000100,000 |  B120B134 |

|  |
| --- |
| 3. To record the drawing of cash to fund borrowing authority from the Bureau of the Fiscal Service.  |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**414800 Resources Realized From Borrowing Authority 414500 Borrowing Authority Converted to Cash**Proprietary Entry**101000 Fund Balance With Treasury 251000 Principal Payable to the Bureau of the Fiscal Service | 50,00050,000 | 50,00050,000 | A156 |

|  |
| --- |
| **Pre-Closing Adjusted Trial Balances** |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** |
| **Budgetary**404800 Transfers to the General Fund of the U.S. Government - Prior-Year  Balances411601 Debt Forgiveness – Cancellation of Debt Adjustment414500 Borrowing Authority Converted to Cash414700 Actual Repayments of Debt, Prior-Year  Balances414800 Resources Realized From Borrowing Authority414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service310600 Unexpended Appropriations – Adjustments310700 Unexpended Appropriations – Used331000 Cumulative Results of Operations570000 Expended AppropriationsTOTAL | -100,00050,000125,000 -275,00050,000100,000150,000  -300,000 | 50,000100,000125,000275,000100,000100,000100,000300,000 |

**Closing Entries**

|  |
| --- |
| C1. To record the consolidation of actual net-funded resources. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**414700 Actual Repayments of Debt, Prior-Year Balances420100 Total Actual Resources - Collected 411601 Debt Forgiveness –Cancellation of Debt Adjustment414800 Resources Realized From Borrowing Authority**Proprietary Entry**None | 100,00050,000 | 100,00050,000 | ModF302 |

|  |
| --- |
| C2. To record the closing of fiscal-year borrowing authority. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**414500 Borrowing Authority Converted to Cash 414900 Borrowing Authority Carried Forward**Proprietary Entry**None | 50,000 | 50,000 | F306 |

|  |
| --- |
| C3. To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**570000 Expended Appropriations 331000 Cumulative Results of Operations | 100,000 | 100,000 | F336 |

|  |
| --- |
| C4. To record closing of fiscal-year activity to unexpended appropriations. |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**310600 Unexpended Appropriations – Adjustments 310700 Unexpended Appropriations - Used | 100,000 | 100,000 | F342 |

|  |
| --- |
| **Post-Closing Trial Balances** |
| **Revolving Fund Expenditure Account****TAFS 70X4000** | **DR** | **CR** |
| **Budgetary**414900 Borrowing Authority Carried Forward420100 Total Actual Resources - Collected 445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service331000 Cumulative Results of OperationsTOTAL | 75,000 50,000 -125,00050,000 50,000100,000 | 125,000125,000100,000 -100,000 |

**SF 133: STATEMENT OF BUDGETARY EXECUTION AND BUDGETARY RESOURCES and SCHEDULE P: BUDGET PROGRAM AND FINANCING SCHEDULE**

|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
| --- | --- |
| **SF133 Line** | **Sch P Line** |
| **OBLIGATIONS BY PROGRAM ACTIVITY** |  |  |
|  |  |  |
| 0900 Total new obligations, unexpired accounts | - | - |
|  |  |  |
| **BUDGETARY RESOURCES** |  |  |
|  |  |  |
| **Unobligated balance:** |  |  |
| 1000 Unobligated balance brought forward, October 1 (414900B, 420100B) | 125,000 | 125,000 |
|  |  |  |
| **Budget Authority:** |  |  |
| **Appropriations:** |  |  |
| **Mandatory:** |  |  |
| 1023 Unobligated Balance applied to repay debt (-) (414700E) | (100,000) | (100,000) |
| 1036 Adjustment to debt forgiveness (411601E) | 100,000 | 100,000 |
| 1050 Unobligated Balance (total). | 125,000 | 125,000 |
| 1910 Total budgetary resources  | 125,000 | 125,000 |
| 1930 Total budgetary resources available  | 125,000 | 125,000 |
|  |  |  |
| **Memorandum (Non-Add) Entries:** |  |  |
| 1941 Unexpired unobligated balance, end of year (445000E) |  | 125,000 |
|  |  |  |
| **STATUS OF BUDGETARY RESOURCES** |  |  |
| **New obligations and upward adjustments:** |  |  |
| **Direct:** |  |  |
| 2001 Category A (by quarter) (490200E) |  |  |
|  |  |  |
| **Unobligated Balance** |  |  |
| **Unapportioned, unexpired accounts** |  |  |
| 2403 Other (445000E) | 125,000 |  |
| 2500 Total budgetary resources | 125,000 |  |
| **CHANGE IN OBLIGATED BALANCE** |  |  |
| **Obligated balance, start of year (net):** |  |  |
| 3010 New obligations, unexpired accounts (490200E) |  |  |
| 3020 Outlays (gross) (-) (490200E) |  |  |
|  |  |  |
|  |  |  |
| **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |
| 4180 Budget Authority, net (total) |  |  |
| 4190 Outlays, net (total) |  |  |

|  |
| --- |
| **BALANCE SHEET** |
|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
| **Assets:** |  |
|  Intragovernmental: |  |
|  1. Fund Balance With Treasury (Note 3) (101000E) | 50,000 |
| 15. Total Assets (calc 1..5) | **50,000** |
|  |  |
| **Liabilities:** |  |
|  Intragovernmental: |  |
|  18. Debt (Note 14) (251000E) | 100,000 |
| 28. Total Liabilities (calc 20..27) | 100,000 |
|  |  |
| **Net Position:** |  |
|  31. Unexpended Appropriations - Other Funds (310100E, 310700E) | - |
|  32. Cumulative Results of Operations – Other Funds (Note 21) (570000E) | (50,000) |
|  34. Total Net Position (calc.) | (50,000) |
| 35. Total Liabilities and Net Position (calc.) | **50,000** |

|  |
| --- |
| **STATEMENT OF NET COST** |
|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
|  | - |
| Program Costs: |
| 1. Gross costs (Note 22) |
|  |
| 3. Net Program Costs (sum of 1 minus 2) |
|  |
| **8. Net cost of operations** |

| **STATEMENT OF CHANGES IN NET POSITION** |
| --- |
|  | **Revolving Fund Expenditure Account****TAFS 70X4000** |
|  | **All Other Funds** | **Dedicated Collections** |
| Cumulative Results of Operations: |  |  |
| 1. Beginning Balances | (150,000) |  |
| 3. Beginning Balances, as Adjusted (calc) | (150,000) |  |
|  |  |  |
| Budgetary Financing Sources: |  |  |
| 5. Appropriations Used (570000E) | 100,000 |  |
|  |  |  |
| 14. Total Financing Sources (sum of 4 through 14) | 100,000 |  |
|  |  |  |
| 15. Net Cost of Operations (+/-) | - |  |
|  |  |  |
| 16. Net Change (sum of 14 minus 15) | 100,000 |  |
|  |  |  |
| 17. Cumulative Results of Operations (sum of 3 and 16) | (50,000) |  |
|  |  |  |
| Unexpended Appropriations: |  |  |
|  |  |  |
| Budgetary Financing Sources: |  |  |
| 23. Adjustments (310600E) | 100,000 |  |
| 24. Appropriations Used (310700E) | (100,000) |  |
| 25. Total Budgetary Financing Sources (sum of 21 through 24) | - |  |
|  |  |  |
| **27. Net Position (sum of 17 and 26)** | **(50,000)** |  |

| **STATEMENT OF BUDGETARY RESOURCES** | **Revolving Fund Expenditure Account****TAFS 70X4000** |
| --- | --- |
| **budgetary resources:** |  |
| 1000 Unobligated balance brought forward, October (414900B) | 125,000 |
| 1020 Adjustments to unobligated balances brought forward, Oct 1 (+ or -)  | - |
| 1020.5 Unobligated balance brought forward, Oct 1, as adjusted  | 125,000 |
| 1043 Other changes in unobligated balance (+ or -) (411601E, 414700E) | - |
| 1051 Unobligated balance from prior year budget authority, net  | 125,000 |
| 1910 Total Budgetary Resources  | **125,000** |
|  |  |
| **status of budgetary resources:** |  |
|  |  |
| 2404 Unapportioned, unexpired accounts (445000E) | 125,000 |
| 2490 Unobligated balance, end of year (total)  | 125,000 |
| 2500 Total Budgetary Resources  | **125,000** |
|  |  |
| **change in obligated balance:** |  |
| 3012 Obligations incurred |  |
| 3020 Outlays, (gross) (-) |  |
| 3200 Obligated balance, end of year (net)  |  |
|  |  |
| **OUTLAYS, NET:** |  |
| 4180 Budget Authority, net (total)  | - |
| 4185 Outlays, gross (discretionary and mandatory) (490200E) |  |
| 4190 Outlays, net (total)  |  |

Attachment D

Debt Forgiveness Appropriation versus No Appropriation:

Special and Non-Revolving Trust Fund Expenditure Accounts

With Borrowing Authority (No Appropriation - Negative Surplus Warrant)

**Attachment D – Special or Non-Revolving Trust Fund Expenditure Accounts with Borrowing Authority**

**Background**

When cancellation of debt is enacted pertaining to borrowings by special or non-revolving trust funds, a Treasury negative surplus warrant will be processed into a specific agency general fund expenditure account, and then subsequently transferred to the applicable special or non-revolving trust fund expenditure account. This general fund expenditure account is sometimes referred to as a “feeder” account. Although the concept of feeder accounts has been predominantly phased out, it still exists for debt forgiveness situations.

**Scenario Assumptions**

* This example illustrates an agency General Fund Expenditure Account Treasury Account Symbol (TAS) 12X0001, and Trust Fund Expenditure TAS 12X8000. (Available Trust Fund Receipt Account TAS 12X8000.00X is not shown in this illustration, because USSGL presentations involving ‘available’ trust fund receipt and expenditure accounts are combined and shown in the expenditure account only.)

	+ TAS 12X0001 and 12X8000 are not dedicated collection funds.
	+ TAS 12X0001 and 12X8000 has definite borrowing authority.

* The Budget Enforcement Act (BEA) category for illustration purposes is Discretionary.
* The beginning trial balances of the agency general fund are zero.
* The beginning trial balances of the agency trust fund expenditure account carry forward balances of borrowing authority (unobligated) and outstanding debt.

**Listing of USSGL Accounts Used in This Scenario (Attachment D)**

|  |  |
| --- | --- |
| **Account Number** | **Account Name** |
|  |  |
| Budgetary |  |
| 404800 | Anticipated Transfers to the General Fund of the U.S. Government -Prior-Year Balances |
| 411601 | Debt Forgiveness – Cancellation of Debt Adjustment |
| 414500 | Borrowing Authority Converted to Cash |
| 414700 | Actual Repayments of Debt, Prior Year Balances |
| 414800 | Resources Realized From Borrowing Authority |
| 414900 | Borrowing Authority Carried Forward |
| 418000 | Anticipated Transfers – Prior-Year Balances |
| 419000 | Transfers – Prior-Year Balances |
| 420100 | Total Actual Resources – Collected |
| 445000 | Unapportioned Authority |
| 490200 | Delivered Orders - Obligations, Paid |
|  |  |
| Proprietary |  |
| 101000 | Fund Balance With Treasury |
| 251000 | Principal Payable to the Bureau of the Fiscal Service |
| 310000 | Unexpended Appropriations – Cumulative |
| 310200 | Unexpended Appropriations – Transfers In |
| 310300 | Unexpended Appropriations – Transfers Out |
| 310600 | Unexpended Appropriations – Adjustments |
| 331000 | Cumulative Results of Operations |

**Illustrative Transactions**

|  |
| --- |
| **Beginning Trial Balances** |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** |
| **Budgetary**None**Proprietary**None |  |  | **Budgetary**414900 Borrowing Authority Carried Forward445000 Unapportioned AuthorityTOTAL**Proprietary**331000 Cumulative Results of Operations251000 Principle Payable to the Bureau of the Fiscal Service | 125,000 0125,000150,000 0150,000 | 125,000125,000150,000150,000 |

|  |
| --- |
| 1A. To record the cancellation of debt to retire debt in P.L. \_\_\_\_\_. The agency initiates the requests for Treasury to process the negative surplus warrant to the designated general fund expenditure account. The negative surplus warrant should reference that “A debt owed to the U.S. Treasury has been cancelled per P.L. \_\_\_\_\_.” |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**411601 Debt Forgiveness – Cancellation of Debt  Adjustment 445000 Unapportioned Authority**Proprietary Entry**101000 Fund Balance With Treasury 310600 Unexpended Appropriations – Adjustments | 100,000100,000 | 100,000100,000 | NewA200 | None |  |  |  |

|  |
| --- |
| 1B. To record the anticipated transfer from the general fund expenditure account to the trust fund via the trust fund receipt account |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**445000 Unapportioned Authority 418000 Anticipated Transfers – Prior- Year Balances**Proprietary Entry**None | 100,000 | 100,000 | A470 | **Budgetary Entry**418000 Anticipated Transfers – Prior- Year Balances 445000 Unapportioned Authority **Proprietary Entry**None | 100,000 | 100,000 | A468 |

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| --- |
| 1C. To record the nonexpenditure transfer, that was previously anticipated, from the general fund expenditure account to the trust fund via the trust fund receipt account.  |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry[[3]](#footnote-3)**418000 Anticipated Transfers – Prior- Year Balances 419000 Transfers – Prior-Year Balances  **Proprietary Entry**310300 Unexpended Appropriations – Transfers Out 101000 Fund Balance With Treasury | 100,000100,000 | 100,000100,000 | A476 | **Budgetary Entry**41900 Transfers – Prior-Year Balances  418000 Anticipated Transfers – Prior- Year Balances**Proprietary Entry**101000 Fund Balance With Treasury 310200 Unexpended Appropriations –  Transfers-In | 100,000100,000 | 100,000100,000 | A472 |

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| --- |
| 1D. To record, in the trust fund, the anticipated nonexpenditure transfer to the Bureau of the Fiscal Service.  |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**445000 Unapportioned Authority  404800 Anticipated Transfers to the General Fund of the U.S. Government – Prior-Year  Balances**Proprietary Entry**None | 100,000 | 100,000 | B306 |

|  |
| --- |
| 2. To record, in the trust fund, principal repayments to the Bureau of the Fiscal Service via nonexpenditure transfer. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**404800 Anticipated Transfers to the General Fund of the U.S. Government – Prior-Year Balances 414700 Actual Repayments of Debt, Prior-Year Balances**Proprietary Entry**251000 Principal Payable to the Bureau of the Fiscal Service 101000 Fund Balance With Treasury | 100,000100,000 | 100,000100,000 | B120 |

|  |
| --- |
| 3. To record the drawing of cash in the trust fund expenditure account to fund borrowing authority from the Bureau of the Fiscal Service. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**414800 Resources Realized From Borrowing Authority 414500 Borrowing Authority Converted to Cash**Proprietary Entry**101000 Fund Balance With Treasury 251000 Principal Payable to the Bureau of the Fiscal Service | 50,00050,000 | 50,00050,000 | A156 |

|  |
| --- |
| **Pre-Closing Adjusted Trial Balances** |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** |
| **Budgetary**411601 Debt Forgiveness – Cancellation of Debt Adjustment418000 Anticipated Transfers – Prior-Year Balances419000 Transfers – Prior Year BalancesTOTAL**Proprietary**101000 Fund Balance With Treasury310600 Unexpended Appropriations – Adjustment310300 Unexpended Appropriations – Transfers OutTOTAL | 100,000- -100,000-100,000100,000 | 100,000100,000100,000 -100,000 | **Budgetary**404800 Transfers to the General Fund of the U.S. Government – Prior-Year Balances414500 Borrowing Authority Converted to Cash414700 Actual Repayments of Debt, Prior-Year  Balances414800 Resources Realized From Borrowing Authority414900 Borrowing Authority Carried Forward418000 Anticipated Transfers – Prior-Year Balances419000 Transfers – Prior Year Balances445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the Fiscal Service310200 Unexpended Appropriations – Transfers In331000 Cumulative Results of OperationsTOTAL | 50,000125,000-100,000 -275,00050,000150,000 200,000 | -50,000100,000125,000275,000100,000100,000 -200,000 |

**Closing Entries**

|  |
| --- |
| C1. To record the consolidation of actual net-funded resources. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**420100 Total Actual Resources – Collected419000 Transfers – Prior-Year Balances 411601 Debt Forgiveness – Cancellation of Debt Adjustment **Proprietary Entry**None | -100,000 | 100,000 | ModF302 | **Budgetary Entry**414700 Actual Repayments of Debt, Prior-Year  Balances420100 Total Actual Resources - Collected 419000 Transfers – Prior-Year Balances414800 Resources Realized From Borrowing Authority**Proprietary Entry**None | 100,00050,000 | 100,00050,000 | F302 |

|  |
| --- |
| C2. To record the closing of fiscal-year borrowing authority. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| None |  |  |  | **Budgetary Entry**414500 Borrowing Authority Converted to Cash 414900 Borrowing Authority Carried Forward**Proprietary Entry**None | 50,000 | 50,000 | F306 |

|  |
| --- |
| C3. To record closing of fiscal-year activity to unexpended appropriations. |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **TC** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** | **TC** |
| **Budgetary Entry**None**Proprietary Entry**310600 Unexpended Appropriations – Adjustments 310300 Unexpended Appropriations - Transfers Out | 100,000 | 100,000 | F342 | **Budgetary Entry**None**Proprietary Entry**310200 Unexpended Appropriations – Transfers In 310000 Unexpended Appropriations – Cumulative | 100,000 | 100,000 | F342 |

|  |
| --- |
| **Post-Closing Trial Balances** |
| **General Fund Expenditure Account****TAS 12X0001** | **DR** | **CR** | **Trust Fund Expenditure Account****TAFS 12X8000** | **DR** | **CR** |
| **Budgetary**None**Proprietary**None |  |  | **Budgetary**414900 Borrowing Authority Carried Forward420100 Total Actual Resources - Collected 445000 Unapportioned AuthorityTOTAL**Proprietary**101000 Fund Balance With Treasury251000 Principal Payable to the Bureau of the  Fiscal Service310000 Unexpended Appropriations - Cumulative331000 Cumulative Results of OperationsTOTAL | 75,00050,000 -125,00050,000150,000200,000 | 125,000125,000100,000100,000 -200,000 |

**SF 133: STATEMENT OF BUDGETARY EXECUTION AND BUDGETARY RESOURCES and SCHEDULE P: BUDGET PROGRAM AND FINANCING SCHEDULE**

|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
| --- | --- | --- |
| **SF133 Line** | **Sch P Line** | **SF133 Line** | **Sch P Line** |
| **OBLIGATIONS BY PROGRAM ACTIVITY** |  |  |  |  |
|  |  |  |  |  |
| **BUDGETARY RESOURCES** |  |  |  |  |
|  |  |  |  |  |
| **Unobligated balance:** |  |  |  |  |
| 1000 Unobligated balance brought forward, October 1 (414900B) |  |  | 125,000 | 125,000 |
|  |  |  |  |  |
| **Budget Authority:** |  |  |  |  |
| **Appropriations:** |  |  |  |  |
| **Discretionary:** |  |  |  |  |
| 1010 Unobligated balance transferred to other accounts (-) (419000E) | (100,000) | (100,000) |  |  |
| 1011 Unobligated balance transferred from other accounts (419000E) |  |  | 100,000 | 100,000 |
| 1023 Unobligated Balance applied to repay debt (-) (414700E) |  |  | (100,000) | (100,000) |
| 1036 Adjustment to debt forgiveness (411601E) | 100,000 | 100,000 |  |  |
| 1050 Unobligated Balance (total) | - | - | - | - |
| 1910 Total budgetary resources  | - |  | - |  |
| 1930 Total budgetary resources available  |  | - |  | - |
|  |  |  |  |  |
| **Memorandum (Non-Add) Entries:** |  |  |  |  |
| 1941 Unexpired unobligated balance end of year (445000E) | - | - | - | 125,000 |
|  |  |  |  |  |
| **STATUS OF BUDGETARY RESOURCES** |  |  |  |  |
|  |  |  |  |  |
| **Unobligated Balance** |  |  |  |  |
| **Unapportioned, unexpired accounts** |  |  |  |  |
| 2403 Other (445000E) | - | - | 125,000 |  |
| 2500 Total budgetary resources (Sum of lines 2001..2403. Also equals line 1910 of the Schedule of Budgetary Resources) |  |  |  |  |
|  |  |  |  |  |
| **CHANGE IN OBLIGATED BALANCE** |  |  |  |  |
| **Obligated balance, start of year (net):** |  |  |  |  |
| 3010 Obligations incurred, unexpired accounts (490200E) | - | - |  |  |
| 3020 Outlays (gross) (-) (490200E) | - | - |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |  |  |
| **Discretionary:** |  |  |  |  |
| **Gross budget authority and outlays:** |  |  |  |  |
| 4000 Budget authority, gross | - | - | - | - |
| 4010 Outlays from new discretionary authority (490200E) | - | - | - | - |
| 4020 Outlays, gross (total) (490200E) | - | - | - | - |
| 4180 Budget authority, net (total)  | - | - | - | - |
| 4190 Outlays, net (total)  | - | - | - | - |

|  |
| --- |
| **BALANCE SHEET** |
|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
| **Assets:** |  |  |
|  Intragovernmental: |  |  |
|  1. Fund Balance With Treasury (Note 3) (101000E) | - | 50,000 |
| 15. Total Assets (calc 1..5) | **-** | **50,000** |
|  |  |  |
| **Liabilities:** |  |  |
|  Intragovernmental: |  |  |
|  18. Debt (Note 14) (251000E) |  | 100,000 |
| 28. Total Liabilities (calc 20..27) |  |  |
|  |  |  |
| **Net Position:** |  |  |
|  31. Unexpended Appropriations - Other Funds (310200E, 310700E) |  | 100,000 |
|  32. Cumulative Results of Operations – Other Funds (Note 21)(331000E) | - | (150,000) |
|  34. Total Net Position (calc.) | - | (50,000) |
| 35. Total Liabilities and Net Position (calc.) | **-** | **50,000** |

|  |
| --- |
| **STATEMENT OF NET COST** |
|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
|  | - | - |
| Program Costs: |
| 1. Gross costs (Note 22) |
|  |
| 3. Net Program Costs (sum of 1 minus 2) |
|  |
| **8. Net cost of operations** |

| **STATEMENT OF CHANGES IN NET POSITION** |
| --- |
|  | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
|  | **All Other Funds** | **Earmarked Funds** | **All Other Funds** | **Earmarked Funds** |
| Cumulative Results of Operations: |  |  |  |  |
| 1. Beginning Balances |  |  | (150,000) |  |
| 3. Beginning Balances, as Adjusted (calc) |  |  | (150,000) |  |
|  |  |  |  |  |
| 15. Net Cost of Operations (+/-) | - |  | - |  |
|  |  |  |  |  |
| 16. Net Change (sum of 14 minus 15) | - |  | - |  |
|  |  |  |  |  |
| 17. Cumulative Results of Operations (sum of 3 and 16) | - |  | (150,000) |  |
|  |  |  |  |  |
| Unexpended Appropriations: |  |  |  |  |
|  |  |  |  |  |
| Budgetary Financing Sources: |  |  |  |  |
| 22. Appropriations Transferred Out/In (310300E,310200E) | (100,000) |  | 100,000 |  |
| 23. Other Adjustments (+/-) | 100,000 |  |  |  |
| 25. Total Budgetary Financing Sources (sum of 21 through 24) | - |  |  |  |
|  |  |  |  |  |
| **27. Net Position (sum of 17 and 26)** | **-** |  | **(50,000)** |  |

| **STATEMENT OF BUDGETARY RESOURCES** | **General Fund Expenditure Account****TAS 12X0001** | **Trust Fund Expenditure Account****TAFS 12X8000** |
| --- | --- | --- |
| **budgetary resources:** |  |  |
| 1000 Unobligated balance brought forward, October (414900B) |  | 125,000 |
| 1020 Adjustments to unobligated balances brought forward, Oct 1 (+ or -) (411601E,419000E) | - | - |
| 1020.5 Unobligated balance brought forward, Oct 1, as adjusted  |  | 125,000 |
| 1043 Other changes in unobligated balance (+ or -)  | - | **-** |
| 1051 Unobligated balance from prior year budget authority, net (discretionary and mandatory) | - | 125,000 |
| 1910 Total Budgetary Resources  | **-** | **125,000** |
|  |  |  |
| **status of budgetary resources:** |  |  |
| 2190 Obligations incurred (490200E) | - |  |
| 2404 Unapportioned, unexpired accounts (445000E) |  | 125,000 |
| 2490 Unobligated balance, end of year (total)  |  | 125,000 |
| 2500 Total Budgetary Resources  | **-** | **125,000** |
|  |  |  |
| **change in obligated balance:** |  |  |
| 3012 Obligations incurred (490200E) | - |  |
| 3020 Outlays, (gross) (-) (490200E) | - |  |
| 3100 Obligated balance, end of year (net) | - |  |
|  |  |  |
| **OUTLAYS, NET:** |  |  |
| 4180 Budget Authority, net (total)  | - | - |
| 4185 Outlays, gross (discretionary and mandatory) (490200E) | - | - |
| 4190 Outlays, net (total) | - | - |

1. Only the applicable attributes to new USSGL account 411601 are shown. Refer to TFM USSGL Bulletin No. 2018-05 for a complete listing of all attributes and domain values. [↑](#footnote-ref-1)
2. Object class 94, “Financial transfers,” is to be used by the general fund expenditure account recording the obligation. Object class information is required for the President’s Budget. [↑](#footnote-ref-2)
3. Object class 94, “Financial transfers,” is to be used by the general fund expenditure account recording the obligation. Object class information is required for the President’s Budget. [↑](#footnote-ref-3)