

## *Advance Appropriation Scenario*

*An **advance appropriation** is an appropriation of new budget authority that becomes available one or more fiscal years beyond the fiscal year for which the appropriation act was passed. An advance appropriation is justified when requests are needed to provide certainty to grantees for planning purposes (such as advance appropriations that are currently provided for the Corporation on Broadcasting) or by the need to provide full funding for capital acquisitions. Under the current Budget Enforcement Act scoring guidelines, new budget authority for advance appropriations is scored in the fiscal year in which the funds become available for obligation.<sup>1</sup>*

*For example, an appropriation act for fiscal year 2000 providing for an advance in fiscal year 2002 indicates the following: “For operating expenses, \$1,500, is to become available on October 1, 2001.”*

### **Fiscal Year (FY) 2000 and FY 2001**

*No entry is recorded for the advance appropriation of \$1,500. (annual)*

### **FY 2002**

- To record the enactment of an annual appropriations and receipt of warrant (\$1,000 – FY 2002) as well as the advance appropriation provided in the FY 2000 appropriation act (\$1,500).

<b>FY 2002</b>		
<b><u>Budgetary Entry</u></b>		TC
DR 4119 Other Appropriations Realized	2,500	A104
CR 4450 Unapportioned Authority	2,500	
<b><u>Proprietary Entry</u></b>		
DR 1010 Fund Balance With Treasury	2,500	
CR 3101 Unexpended Appropriations – Appropriations Received	2,500	

- To record budgetary authority apportioned by OMB and available for allotment.

<b>FY 2002</b>		
<b><u>Budgetary Entry</u></b>		TC
DR 4450 Unapportioned Authority	2,500	A116
CR 4510 Apportionments	2,500	
<b><u>Proprietary Entry</u></b>		
None		

<sup>1</sup> OMB Circular No. A-11 (2004), Section 20.3 & 20.4(c).

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3. To record allotment of authority.

<b>FY 2002</b>		
<b><u>Budgetary Entry</u></b>		TC A120
DR 4510 Apportionments	2,500	
CR 4610 Allotments – Realized Resources	2,500	
<b><u>Proprietary Entry</u></b>		
None		

4. Purchase request for \$2,000, was approved. (Commitment)

<b>FY 2002</b>		
<b><u>Budgetary Entry</u></b>		TC B202
DR 4610 Allotments – Realized Resources	2,000	
CR 4700 Commitments – Programs Subject to Apportionment	2,000	
<b><u>Proprietary Entry</u></b>		
None		

5. To record current-year undelivered orders without an advance.

<b>FY 2002</b>		
<b><u>Budgetary Entry</u></b>		TC B204
DR 4700 Commitments – Programs Subject to Apportionment	2,000	
CR 4801 Undelivered Orders - Obligations, Unpaid	2,000	
<b><u>Proprietary Entry</u></b>		
None		

6. To record current-year undelivered orders with an advance of \$250.

<b>FY 2002</b>		
<b><u>Budgetary Entry</u></b>		TC B206
DR 4801 Undelivered Orders - Obligations, Unpaid	250	
CR 4802 Undelivered Orders Obligations – Prepaid/Advanced	250	
<b><u>Proprietary Entry</u></b>		
DR 1410 Advances to Others	250	
CR 1010 Fund Balance With Treasury	250	

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7. To record the delivery of goods and accrue a liability.

<b>FY 2002</b>			
<b><u>Budgetary Entry</u></b>			TC
DR 4801 Undelivered Orders - Obligations, Unpaid	1,750		B302
CR 4901 Delivered Orders – Obligations, Unpaid		1,750	
<b><u>Proprietary Entry</u></b>			
DR 6100 Operating Expenses/Program Costs	1,750		
CR 2110 Accounts Payable		1,750	
DR 3107 Unexpended Appropriations - Used	1,750		B134
CR 5700 Expended Appropriations		1,750	

8. To record the delivery of prepaid goods.

<b>FY 2002</b>			
<b><u>Budgetary Entry</u></b>			TC
DR 4802 Undelivered Orders - Obligations, Prepaid/Advanced	250		B404
CR 4902 Delivered Orders – Obligations, Paid		250	
<b><u>Proprietary Entry</u></b>			
DR 6100 Operating Expense/Program Costs	250		
CR 1410 Advances to Others		250	B134
DR 3107 Unexpended Appropriations - Used	250		
CR 5700 Expended Appropriations		250	

9. Payment schedule certified and confirmed.

<b>FY 2002</b>			
<b><u>Budgetary Entry</u></b>			TC
DR 4901 Delivered Orders – Obligations Unpaid	1,750		B110
CR 4902 Delivered Orders- Obligations, Paid		1,750	
<b><u>Proprietary Entry</u></b>			
DR 2110 Accounts Payable	1,750		
CR 1010 Fund Balance With Treasury		1,750	

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**Pre - Closing Adjusted Trial Balance  
FY 2002**

<b>FY 2002</b>	<b>Debit</b>	<b>Credit</b>
<b>Budgetary</b>		
4119	2,500	
4450		0
4510		0
4610		500
4700		0
4801		0
4802		0
4901		0
4902		<u>2,000</u>
<b>Total</b>	<u>2,500</u>	<u>2,500</u>
<b>Proprietary</b>		
1010	500	
1410	0	
2110		0
3101		2,500
3107	2,000	
5700		2,000
6100	<u>2,000</u>	<u>0</u>
<b>Total</b>	<u>4,500</u>	<u>4,500</u>

**Closing Entries**

- To record the closing of revenue, expense and other financing source accounts to cumulative results of operations.

<b><u>Budgetary Entry</u></b>		
None		
<b><u>Proprietary Entry</u></b>		
<b>DR 3310 Cumulative Results of Operations</b>	<b>2,000</b>	TC F228
CR 6100 Operating Expenses/Program Costs	2,000	
DR 5700 Expended Appropriations	2,000	
<b>CR 3310 Cumulative Results of Operations</b>	<b>2,000</b>	

- To record the consolidation of actual net-funded resources.

<b><u>Budgetary Entry</u></b>		
DR 4201 Total Actual Resources - Collected	2,500	TC F204
CR 4119 Other Appropriations Realized	2,500	
<b><u>Proprietary Entry</u></b>		
None		

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3. To record the closing of Expended Authority - Paid.

<b><u>Budgetary Entry</u></b>			
DR 4902 Delivered Orders – Obligations, Paid	2,000		TC F214
CR 4201 Total Actual Resources Collected		2,000	
<b><u>Proprietary Entry</u></b>			
None			

4. To record closing of fiscal year activity that increases unexpended appropriations.

<b><u>Budgetary Entry</u></b>			
None			TC F233
<b><u>Proprietary Entry</u></b>			
DR 3101 Unexpended Appropriations – Appropriations Received		2,500	
<b>CR 3100 Unexpended Appropriations - Cumulative</b>			<b>500</b>
CR 3107 Unexpended Appropriations - Used			2,000

5. To record closing of unobligated balance to expired authority.

<b><u>Budgetary Entry</u></b>			
DR 4610 Allotments – Realized Resources	500		TC F212
CR 4650 Allotments – Expired Authority		500	
<b><u>Proprietary Entry</u></b>			
None			

**Post- Closing Trial Balance  
FY 2002**

<b>FY 2002</b>	<b>Debit</b>	<b>Credit</b>
<b>Budgetary</b>		
4201	500	
4650	<u>0</u>	<u>500</u>
<b>Total</b>	<u>500</u>	<u>500</u>
<b>Proprietary</b>		
1010	500	
3100	<u>0</u>	<u>500</u>
<b>Total</b>	<u>500</u>	<u>500</u>

*Advance Appropriation Scenario*

**SF133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES  
(YEAR-END)  
FY 2002**

**BUDGETARY RESOURCES**

1. Budget Authority:	
A. Appropriations (4119E)	<u>2,500</u>
7. <b>Total Budgetary Resources</b>	<u>2,500</u>

**STATUS OF BUDGETARY RESOURCES**

8. Obligations Incurred:	
A. Direct (4902E)	2,000
9. Unobligated Balance:	
A. Apportioned	
1. Balance, Currently Available (4610E)	<u>500</u>
11. <b>Total Status of Budgetary Resources</b>	<u>2,500</u>

**RELATIONSHIP OF OBLIGATIONS TO OUTLAYS**

15. Outlays:	
A. Disbursements (4902E)	2,000

**FMS 2108 Year-end Closing Statement  
FY 2002**

Column 5 Postclosing Unexpended Balance (1010E)	500
Column 11 Unobligated Balance (4610E)	500

*Advance Appropriation Scenario*

**Department/Agency/Reporting Entity  
CONSOLIDATED BALANCE SHEET  
As of September 30, FY 2002  
(in dollars/thousands/millions)**

**Assets (Note 2)**

<b>Intragovernmental Assets:</b>	
1. Fund Balance With Treasury (Note 3) (1010E)	<u>500</u>
6. Total Intragovernmental Assets	500
15. Total Assets	<u>500</u>

**Liabilities (Note 12)**

27. Total Liabilities	<u>0</u>
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**Net position:**

29. Unexpended Appropriations (Note 20) (3100E)	500
30. Cumulative Results of Operations (3310E)	<u>0</u>
31. Total Net Position	<u>500</u>
32. Total Liabilities and Net Position	<u>500</u>

**Department/Agency/Reporting Entity  
CONSOLIDATED STATEMENT OF NET COST  
For the year ended September 30, FY 2002  
(in dollars/thousands/millions)**

**Program Costs:**

Program A:	
1. Intragovernmental Gross Costs (6100E)	<u>2,000</u>
3. Intragovernmental Net Costs	<u>2,000</u>
7. Total Net Cost	<u>2,000</u>
10. Net Cost of Operations	<u>2,000</u>

*Advance Appropriation Scenario*

**Department/Agency/Reporting Entity**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
**For the year ended September 30, FY 2002**  
**(in dollars/thousands/millions)**

	<u>Cumulative Results of Operations</u>	<u>Unexpended Appropriations</u>
<b>Budgetary Financing Sources:</b>		
4. Appropriations Received (3101E)	0	2,500
7. Appropriations Used (5700/3107E)	2,000	(2,000)
<b>Other Financing Sources:</b>		
16. Total Financing Sources	2,000	500
17. Net Cost of Operations	<u>2,000</u>	<u>0</u>
18. Ending Balances	<u><u>0</u></u>	<u><u>500</u></u>



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**Department/Agency/Reporting Entity  
COMBINED STATEMENT OF FINANCING  
For the year ended September 30, FY 2002  
(in dollars/thousands/millions)**

**Resources Used to Finance Activities:  
Budgetary Resources Obligated**

1. Obligations Incurred (4902 E)	<u>2,000</u>
5. Net Obligations (3-4)	<u>2,000</u>
11. Total Resources Used to Finance Activities (5+10)	<u>2,000</u>

**Resources Used to Finance Items Not Part of the Net Cost of Operations**

17. Total Resources Used to Finance Items Not Part of the Net Cost of Operations (12..16)	<u>0</u>
18. Total Resources Used to Finance the Net Cost of Operations (11-17)	<u>2,000</u>

**Components of the Net Cost of Operations That Will Not Require  
Or Generate Resources in the Current Period:**

29. Total Components of the Net Cost of Operations That Will Not Require Or Generate Resources in the Current Period	<u>0</u>
30. Net Cost of Operations (18+29)	<u>2,000</u>

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**BUDGET PROGRAM AND FINANCING (P&F) SCHEDULE PRIOR-YEAR**  
**ACTUAL COLUMN FOR FY 2002 REPORTING**

<b>OBLIGATIONS BY PROGRAM ACTIVITY</b>	
1000 Total new obligations (4902E)	2,000
<b>BUDGETARY RESOURCES AVAILABLE FOR OBLIGATION</b>	
2200 New budget authority, (gross) (sum 4000...6962)	2,500
2395 Total new obligations (-) (sum as 1000, opposite sign)	(2,000)
2440 Unobligated balance carried forward, end of year (4610E)	500
<b>NEW BUDGET AUTHORITY (GROSS), DETAIL</b>	
4000 Appropriation (4119E) (Auth. Type ~p) <sup>2</sup>	1,000
5500 Advance Appropriation (4119E) (Auth. Type ~d) <sup>3</sup>	1,500
7000 Total new budget authority (gross) (sum 4000...6990)	2,500
<b>CHANGE IN OBLIGATED BALANCES</b>	
7310 Total new obligations (same as 1000)	2,000
7320 Total outlays (gross) (4902E)	(2,000)
<b>OUTLAYS (GROSS), DETAIL</b>	
8690 Outlays from new discretionary authority (4902E)	2,000
<b>NET BUDGET AUTHORITY AND OUTLAYS</b>	
8900 Budget authority (net) (+) (sum 2200 – (8800..8845), 8895, 8896)	2,500
9000 Outlays (net) (+) (sum (8690..8698) – (8800..8845))	2,000

<sup>2</sup> p ~ Appropriation, as defined in TFM S2-05-01, Section IV.

<sup>3</sup> d ~ Advance appropriation, as defined in TFM S2-05-01, Section IV.