

Permanent Reduction

**Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)**

This scenario captures permanent reductions of general fund appropriations. General fund appropriations are derived from the general fund of the Treasury as specified in an Appropriations Act and are posted to a Treasury Appropriation Fund Symbol (TAFS) by a Treasury warrant. Similarly, a general fund appropriation is reduced by a Treasury warrant. These transactions are classified as permanent because the amounts are returned to the general fund of the Treasury and require a new legislative appropriation action before the amount can become available as a resource to the fund.

The following two accounts are highlighted in this scenario.

USSGL 4392 Permanent Reduction - New Budget Authority
USSGL 4393 Permanent Reduction - Prior-Year Balances

For report presentation purposes, the fund in this scenario is considered discretionary and does not expire at the end of year 1 or 2. In year 1, USSGL account 4392 Permanent Reduction – Current Year Authority is used to reflect a reduction of new budget authority provided by general fund appropriation. Similarly, a reduction of prior-year balances derived from a general fund appropriation is reflected in USSGL account 4393 Permanent Reduction – Prior Year Balances in year 2.

YEAR 1

1. To record a general fund appropriation, as reflected in an Appropriations Act. Treasury processes a warrant.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4119 Other Appropriations Realized	6,000		
4450 Unapportioned Authority		6,000	
			A104
<u>Proprietary</u>			
1010 Fund Balance With Treasury	6,000		
3101 Unexpended Appropriations – Appropriations Received		6,000	

2. To record a permanent reduction of new budget authority and fund balance. Treasury processes a warrant returning fund balance to the general fund of the Treasury.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4450 Unapportioned Authority	500		
4392 Permanent Reduction – New Budget Authority		500	
			A132
<u>Proprietary</u>			
3106 Unexpended Appropriations – Adjustments	500		
1010 Fund Balance With Treasury		500	

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3. To record approved SF-132 apportionment and subsequent allotment of \$5,500.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4450 Unapportioned Authority	5,500		A116
4510 Apportionments		5,500	
4510 Apportionment	5,500		A120
4610 Allotments – Realized Resources		5,500	
<u>Proprietary</u>			
No entry			

PRECLOSING ADJUSTED TRIAL BALANCE Year 1

Discretionary General or Revolving Fund TAFS	DR	CR
<u>Budgetary</u>		
4119 Other Appropriations Realized	6,000	
4392 Permanent Reduction - New Budget Authority		500
4450 Unapportioned Authority		0
4510 Apportionments		0
4610 Allotments – Realized Authority	<u>0</u>	<u>5,500</u>
TOTAL	<u>6,000</u>	<u>6,000</u>
<u>Proprietary</u>		
1010 Fund Balance With Treasury	5,500	
3101 Unexpended Appropriations – Appropriations Received		6,000
3106 Unexpended Appropriations – Adjustments	<u>500</u>	<u>0</u>
TOTAL	<u>6,000</u>	<u>6,000</u>

Closing Entries

4. To record consolidation of actual net-funded resources and to record the closing of fiscal year activity to unexpended appropriations.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4201 Total Actual Resources - Collected	5,500		
4392 Permanent Reduction - New Budget Authority	500		F204
4119 Other Appropriations Realized		6,000	
<u>Proprietary</u>			
3101 Unexpended Appropriations – Appropriations Received	6,000		F233
3100 Unexpended Appropriations – Cumulative		5,500	
3106 Unexpended Appropriations – Adjustments		500	

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**Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)**

5. To record closing of unobligated balances to unapportioned authority in an unexpired account.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4610 Allotments – Realized Resources	5,500		F210
4450 Unapportioned Authority		5,500	
<u>Proprietary</u>			
No entry			

POST CLOSING TRIAL BALANCE Year 1

Discretionary General or Revolving Fund TAFS	DR	CR
<u>Budgetary</u>		
4201 Total Actual Resources – Collected	5,500	
4450 Unapportioned Authority	<u>0</u>	<u>5,500</u>
TOTAL	<u>5,500</u>	<u>5,500</u>
<u>Proprietary</u>		
1010 Fund Balance With Treasury	5,500	
3100 Unexpended Appropriations – Cumulative	<u>0</u>	<u>5,500</u>
TOTAL	<u>5,500</u>	<u>5,500</u>

SF-2108 YEAR 1

Column 5	1010	5,500
Column 11	4610	5,500

Columns 4+5+6+7+8-9-10 = Column 11
Expenditure Account: 0+5,500+0+0+0-0-0 = 5,500

SF 133 Report on Budget Execution and Budgetary Resources/Statement of Budgetary Resources – Year 1

Line 1 Budget authority	6,000
Line 1A Appropriations 4119E	<u>0</u>
Line 1D Nettransfers	6,000
Total Line 1	(500)
Line 6B Permanently not available, enacted reductions (-) 4392E	<u>5,500</u>
Line 7 Total budgetary resources	<u>5,500</u>
Line 9A1 Balance, currently available 4610E	<u>5,500</u>
Line 11 Total status of budgetary resources	<u>5,500</u>
Line 12 Obligated balance, net as of Oct 1	0
Line 14 Obligated balance, net, end of period	0
Line 15 Outlays	
Line 15A Disbursements (+)	0
Line 15B Collections (-)	0

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**Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)**

Schedule P Program and Financing Year 1

2200 New budget authority (gross) (4000..6962)	5,500
2395 Total new obligations	0
2440 Unobligated balance carried forward, end of year (4610E)	5,500
4000 Appropriation (4119E)	6,000
4035 Appropriation permanently reduced (-) (4392E) ← Permanent reduction	<u>(500)</u>
4300 Appropriation (total discretionary)	5,500
8900 Budget authority (net) (+) (sum 2200-(8800..8845), (8895..8896)	5,500
9000 Outlays (net) (-) (sum (8690..8698) – (8800..8845)	0

Form and Content Balance Sheet Year 1

Assets	
Intragovernmental Assets	
1. Fund Balance With Treasury (1010E)	<u>5,500</u>
15. Total Assets	<u>5,500</u>
27. Total Liabilities	0
Net Position	
29. Unexpended Appropriations (3100E)	<u>5,500</u>
31. Total Net Position	<u>5,500</u>
32. Total Liabilities and Net Position	<u>5,500</u>

Form and Content Statement of Net Cost Year 1

Program Costs	
1. Intragovernmental Gross Costs	
5. Less: Earned Revenue From the Public	<u>0</u>
6. Net Costs With the Public	<u>0</u>
7. Total Net Cost	<u>0</u>
10. Net Cost of Operations	<u>0</u>

Form and Content Statement of Changes in Net Position Year 1

	<u>CumRes</u>	<u>UnexAp</u>
4. Appropriations Received (3101E)	0	6,000
6. Other Adjustments (3106E) ← Permanent reduction	0	<u>(500)</u>
16. Total Financing Sources (lines 4..7)	0	5,500
17. Net Cost of Operations	0	0
18. Ending Balances	<u>0</u>	<u>5,500</u>

Form and Content Statement of Financing Year 1

1. Obligations Incurred	0
3. Obligations Net of Offsetting Collections & Recoveries (1-2)	0
4. Less: Distributed Offsetting Receipts	<u>0</u>
5. Net Obligations (3-4)	0
11. Total Resources Used to Finance Activities (5+10)	0
18. Total Resources Used to Finance the Net Cost of Operations (11-17)	<u>0</u>
30. Net Cost of Operations (18+29)	0

Permanent Reduction

**Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)**

YEAR 2

6. To record a permanent reduction of new budget authority and fund balance. Treasury processes a warrant returning fund balance to the general fund of the Treasury.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4450 Unapportioned Authority	100		
4393 Permanent Reduction – Prior-Year Balances		100	A132
<u>Proprietary</u>			
3106 Unexpended Appropriations – Adjustments	100		
1010 Fund Balance With Treasury		100	

7. To record approved SF-132 apportionment and subsequent allotment of \$5,400.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4450 Unapportioned Authority	5,400		A116
4510 Apportionments		5,400	
4510 Apportionment	5,400		A120
4610 Allotments – Realized Resources		5,400	
<u>Proprietary</u>			
No entry			

PRECLOSING ADJUSTED TRIAL BALANCE Year 2

Discretionary General or Revolving Fund TAFS	DR	CR
<u>Budgetary</u>		
4201 Total Actual Resources - Collected	5,500	
4393 Permanent Reduction – Prior-Year Balances		100
4450 Unapportioned Authority		0
4510 Apportionments		0
4610 Allotments – Realized Authority	<u>0</u>	<u>5,400</u>
TOTAL	<u><u>5,500</u></u>	<u><u>5,500</u></u>
<u>Proprietary</u>		
1010 Fund Balance With Treasury	5,400	
3100 Unexpended Appropriations – Cumulative		5,500
3106 Unexpended Appropriations – Adjustments	<u>100</u>	<u>0</u>
TOTAL	<u><u>5,500</u></u>	<u><u>5,500</u></u>

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**Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)**

Closing Entries

4. To record consolidation of actual net-funded resources and to record the closing of fiscal year activity to unexpended appropriations..

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4392 Permanent Reduction - New Budget Authority	100		F204
4201 Total Actual Resources - Collected		100	
<u>Proprietary</u>			
3100 Unexpended Appropriations – Cumulative	100		F233
3106 Unexpended Appropriations – Adjustments		100	

5. To record closing of unobligated balances to unapportioned authority in an unexpired account.

Discretionary General or Revolving Fund TAFS	DR	CR	TC
<u>Budgetary</u>			
4610 Allotments – Realized Resources	5,400		F210
4450 Unapportioned Authority		5,400	
<u>Proprietary</u>			
No entry			

POST CLOSING TRIAL BALANCE Year 2

Discretionary General or Revolving Fund TAFS	DR	CR
<u>Budgetary</u>		
4201 Total Actual Resources – Collected	5,400	
4450 Unapportioned Authority	0	<u>5,400</u>
TOTAL	<u>5,500</u>	<u>5,500</u>
<u>Proprietary</u>		
1010 Fund Balance With Treasury	5,400	0
3100 Unexpended Appropriations – Cumulative	0	<u>5,400</u>
TOTAL	<u>5,500</u>	<u>5,500</u>

SF-2108 YEAR 2

Column 5	1010	5,400
Column 11	4610	5,400

Columns 4+5+6+7+8-9-10 = Column 11
Expenditure Account: 0+5,400+0+0+0-0-0 = 5,400

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Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)

SF 133 Report on Budget Execution and Budgetary Resources/Statement of Budgetary Resources – Year 2

Line 2A Unobligated balance, brought forward October 1 (4201B)	5,500
Line 6B Permanently not available, enacted reductions (-) 4393E	<u>(100)</u>
Line 7 Total budgetary resources	<u>5,400</u>
Line 9A1 Balance, currently available (4610E)	<u>5,400</u>
Line 11 Total status of budgetary resources	<u>5,400</u>
Line 12 Obligated balance, net as of October 1	0
Line 14 Obligated balance, net, end of period	0
Line 15 Outlays	
Line 15A Disbursements (+)	0
Line 15B Collections (-)	0

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Schedule P Program and Financing Year 2

2140 Unobligated balances carried forward, start of year (4201B)	5,500
2200 New budget authority, gross (lines 4000..6962)	(100)
2395 Total new obligations	<u>0</u>
2440 Unobligated balance carried forward, end of year (4610E)	5,400
4036 Unobligated balance permanently reduced (-) (4393E)	(100)
4300 Appropriation (total discretionary)	(100)
8900 Budget authority (net) (+) (sum 2200-(8800..8845), (8895..8896)	(100)
9000 Outlays (net) (-) (sum (8690..8698) – (8800..8845))	<u>0</u>

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Form and Content Balance Sheet Year 2

Assets	
Intragovernmental Assets	
1. Fund balance With Treasury (1010E)	<u>5,400</u>
15. Total Assets	<u>5,400</u>
27. Total Liabilities	0
Net Position	
29. Unexpended Appropriations (3100E)	<u>5,400</u>
31. Total Net Position	<u>5,400</u>
32. Total Liabilities and Net Position	<u>5,400</u>

Form and Content Statement of Net Cost Year 2

Program Costs	
2. Intragovernmental Gross Costs	
5. Less: Earned Revenue From the Public	<u>0</u>
6. Net Costs With the Public	<u>0</u>
7. Total Net Cost	<u>0</u>
10. Net Cost of Operations	<u>0</u>

Form and Content Statement of Changes in Net Position Year 2

	<u>CumRes</u>	<u>UnexAp</u>
1. Beginning Balance (3100B)	0	5,500
3. Beginning Balance, as adjusted (lines 1..3)	0	5,500
6. Other Adjustments (3106E)	0	(100)
16. Total Financing Sources (lines 4..7)	0	(100)
17. Net Cost of Operations	0	0
18. Ending Balances (lines 3+16)	<u>0</u>	<u>5,400</u>

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Reduction to General Fund Appropriation
(USSGL Accounts 4392 and 4393)

Form and Content Statement of Financing Year 2

1. Obligations Incurred	0
3. Obligations Net of Offsetting Collections & Recoveries (1-2)	0
4. Less: Distributed Offsetting Receipts	<u>0</u>
5. Net Obligations (3-4)	0
11. Total Resources Used to Finance Activities (5+10)	0
19. Total Resources Used to Finance the Net Cost of Operations (11-17)	<u>0</u>
30. Net Cost of Operations (18+29)	0