

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Effective Date Fiscal Year 2017

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Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Version Number	Date	Description of Change	Effective USSGL TFM	Effective Date
1.0	03/01/2016	Scenario was presented at August 6 and December 3 2015 IRC meetings.	15-01	FY2016
2.0	4/20/2017	Scenario updated to clarify assumptions and change Reclassified Statement of Net Cost. Presented at April 20, 2017 IRC Meeting	17-06	FY2017

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Introduction

This scenario focuses on intragovernmental activities related to the buy/sell transactions of capitalized assets and inventory. This scenario does not address assisted acquisitions, or when the selling agency does not recognize inventory but instead expenses the item and then sells it to another federal entity who capitalizes the good.

The purpose of consolidated statements is to show the results of operations and the financial position of the related entities as **one entity**. According to ARB 51, Consolidated Financial Statements, “the complete elimination of the intercompany profit or loss is consistent with the underlying assumption that consolidated statements represent the financial position and operating results of a single business enterprise”. Therefore, from the consolidated perspective, changing hands of capitalized assets should not impact the overall net position of the consolidated entity. Any profit or loss associated from these transactions should be eliminated as well on the Financial Report of the U.S. Government (FR).

Within GTAS, memorandum accounts 880100-880400 are used to eliminate intragovernmental asset transactions as stated in the June 2015 TFM 2-4700. However, the memo accounts are not crosswalked into GFRS at year end causing elimination issues as well as an overstatement of expenses and revenues at year-end on the FR. In this scenario you will see where these USSGL accounts are crosswalked allowing for proper intragovernmental eliminations at year-end.

This scenario proposes changes to the Reclassified Statement of Net Cost, a new USSGL account, and modifying domain values for the Federal Non-Federal Attribute in GTAS for various USSGL accounts. By making these changes, and agencies adhering to the guidance that follows, it will eliminate current intragovernmental elimination issues (currently in the billions) and accurately reflect the Reclassified Statement of Net Cost at the governmentwide level for Capital Asset Buy/Sell Transactions. In particular, this scenario will look at the sale of inventory from one Federal Agency to another Federal Agency, and how to properly account for this transaction depending on the assumption of the ordering agency. However, by having the USSGL Memo Accounts 880100-880400 crosswalked (as illustrated in this scenario) for agencies’ closing packages these current intragovernmental differences will be resolved in addition to transactions where agencies are selling inventory. For illustrative purposes, and to be consistent with OMB Circular No. A-11, this scenario refers to the selling agency as the performing agency and the buying agency as the ordering agency.

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

New USSGL Accounts (Approved August 2015)

Account Title: Expensed Asset

Account Number: 615000

Normal Balance: Debit

Transaction Codes: B402 and F336

Definition: The amount of expenses recognized by a purchasing agency when a capitalized asset acquired from another federal agency does not meet the purchasing agency's capitalization threshold.

Justification: This account was established to separate activity out of account 610000 pertaining to an asset purchase, not capitalized. This account will be effective FY 2016. Not only should agencies use this account to report previously capitalized assets purchased from another Federal entity, they should use it when purchasing inventory from another Federal entity as well. This will allow for proper presentation of the FR, reflecting this expense at the government wide level and this USSGL account does not eliminate.

USSGL Proprietary Account Reporting

USSGL Account	USSGL Account Title	Budg/Prop	Normal Balance	Begin/End	Debit/Credit	Apport Cat	Reimb. Flag
615000	Expensed Asset	P	D	E	D/C		

Bulk File Proprietary Account Reporting

USSGL Account	USSGL Account Title	Fed/NonFed	Trading Ptnr	Trading Ptnr Main
615000	Expensed Asset			

USSGL Proprietary and Budgetary Account Attribute Table

USSGL Account	USSGL Account Title	TAS Attributes			
		GTAS Fund Type Code	Reporting Type Code	TAS Status	Transitioning Code
615000	Expensed Asset	CF/DF/EC/EG/EM/ EP/ER/ES/ET/GA/ TR/UG/US/UT	E/F/U	U/E	X/K/N

Impact on Crosswalks (FY 2016)

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

USSGL Account	Balance Sheet	Net Cost	Net Position	Custodial Activity	Reclassified Balance Sheet	Reclassified Net Cost	Reclassified Net Position
615000	Line 32, 33	Line 1	N/A	N/A	Line 9.1, 9.2	Line 2	N/A

USSGL Account Domain Value Modification

Account Title: Cost of Goods Sold

Account Number: 650000

Definition: The total cost of inventory sold including raw materials, direct labor, and overhead.

Attribute: Federal NonFederal Code

Domain Values: Proposed “F/N”

Justification: The current process recognizes Cost of Goods Sold (COGS) as “N” activity only. The reason “N” domain value was assigned to account 650000 is because by definition the inventory is an “N” account, therefore any cost associated with the inventory should also be treated as “N” activity. The same methodology applies to gains and losses on disposition of assets. After reviewing the current process, the determination of “N” is causing the COGS to not be eliminated at year-end on the FR. According to ARB 51, Consolidated Financial Statements, “the complete elimination of the intercompany profit or loss is consistent with the underlying assumption that consolidated statements represent the financial position and operating results of a single business enterprise”. Therefore, from the consolidated perspective, changing hands of capitalized assets should not impact the overall net position of the consolidated entity. Any profit or loss associated should be eliminated when reconciling all “F” accounts. The consolidated entity still has the ownership of the same asset throughout the transfer between government entities. Including an F attribute to 650000 will allow the account to eliminate with 880100 (offset to Purchase) and properly reflect the Net Position of the FR.

Account Title: General Property, Plant, and Equipment and Inventory and Related Property

Account Number: 171100-189900 and 151100-152900

Attribute: Current Fed/NonFed, proposed elimination of attributes

Domain Value: None

Justification: All inventory accounts are non-fed accounts for consolidation purposes and should be reflected on the Balance Sheet. To avoid any confusion with eliminations or possible system issues, the attribute was removed.

USSGL account Crosswalk Modifications

Account Title: Memorandum Accounts

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Account Number: 880100-880400

Normal Balance: 880100 Credit, 880200-880400 Debit

Definition:

880100: The amount recorded to offset activity in USSGL accounts 880200-880400 which close into this account at yearend.

This account does not close at yearend.

880200: The amount of capitalized property, plant, and equipment purchased during the fiscal year.

880300: The amount of inventory and related property purchased during the fiscal year.

880400: The amount of other assets purchased during the fiscal year, not otherwise classified in the USSGL accounts 880200 & 880300.

Crosswalks: Currently not crosswalked, see proposal below

Justification: Currently, COGS and Revenue are being overstated at yearend because accounts 880100-880400 are not crosswalked into GFRS. USSGL account 880100 will be added to RC24 and all memo USSGL accounts will be added to lines 7.4 (Purchase of Assets) and 7.5(Purchase of Assets Offsets) of the Reclassified Statement of Net Cost. These lines will be associated with the Federal Gross Cost section of the statement that will offset each other having no effect on the overall Net Cost. However, they will be used for elimination purposes.

Impact on Crosswalks

USSGL Account	Balance Sheet	Net Cost	Net Position	Custodial Activity	Reclassified Balance Sheet	Reclassified Net Cost	Reclassified Net Position
880200-880400 (F)	Line 32, 33	Line 1	N/A	N/A	Line 9.1, 9.2	Line 7.4	Line 9
880100 (F)	Line 32, 33	Line 1	N/A	N/A	Line 9.1, 9.2	Line 12.3	Line 9

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Listing of USSGL Accounts Used in This Scenario

Account Number	Account Title
<u>Budgetary</u>	
411900	Other Appropriations Realized
420100	Total Actual Resources – Collected
421000	Anticipated Reimbursements and Other Income
422100	Unfilled Customer Orders Without Advance
425100	Reimbursements and Other Income Earned-Receivable
445000	Unapportioned Authority
451000	Apportionments
459000	Apportionments – Anticipated Resources – Programs Subject to Apportionment
461000	Allotments – Realized Resources
465000	Allotments - Expired Authority
480100	Undelivered Orders – Obligations, Unpaid
490100	Delivered Orders – Obligations, Unpaid
<u>Proprietary</u>	
101000	Fund Balance With Treasury
131000	Accounts Receivable
152100	Inventory Purchased for Resale
152700	Inventory – Finished Goods
175000	Equipment
175900	Accumulated Depreciation on Equipment
211000	Accounts Payable
310100	Unexpended Appropriations – Appropriations Received
310700	Unexpended Appropriations – Used
331000	Cumulative Results of Operations
510000	Revenue From Goods Sold
570000	Expended Appropriations
615000	Expensed Asset
650000	Cost of Goods Sold
671000	Depreciation, Amortization, and Depletion

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Account Number	Account Title
<u>Memorandum</u>	
880100	Offset for Purchases of Assets
880200	Purchases of Property, Plant and Equipment
880300	Purchases of Inventory and Related Property
880400	Purchases of Assets - Other

*For Account Definitions please refer to the USSGL TFM Section II.

Proposed Buy/Sell Process

Assumptions

- The Ordering Agency is one agency with three different possible assumptions.
- Ordering Agency: Assumption 1: Asset meets capitalization threshold and is recorded as Property, Plant & Equipment.
- Ordering Agency: Assumption 2: Asset did not meet capitalization threshold, therefore the asset is expensed.
- Ordering Agency: Assumption 3: Asset is recorded as inventory.
- Beginning trial balance is not presented

Illustrative Transactions

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

1. To record the Ordering Agency's enactment of appropriation.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> 411900 Other Appropriations Realized 445000 Unapportioned Authority	5,000	5,000	A104
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 101000 Fund Balance With Treasury 310100 (G) Unexpended Appropriations – Appropriations Received	5,000	5,000	

2. To record budgetary authority apportioned by the Office of Management and Budget and available for allotment.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> 445000 Unapportioned Authority 451000 Apportionments	5,000	5,000	A116
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> None			

3. To record the allotment of authority.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> 451000 Apportionments	5,000		

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

				461000 Allotments - Realized Resources		5,000		A120
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> None				

4. To record anticipated reimbursement.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 421000 Anticipated Reimbursements and Other Income 445000 Unapportioned Authority <u>Proprietary Entry</u> None	5,000	5,000	A702	<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None			

5. To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 445000 Unapportioned Authority 459000 Apportionments –	5,000	5,000		<u>Budgetary Entry</u> None			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Anticipated Resources – Programs Subject to Apportionment			A118	
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> None

6. To record in the performing agency a reimbursable agreement without an advance that was previously anticipated and a current-year undelivered order for the ordering agency.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 422100 Unfilled Customer Orders Without Advance 421000 Anticipated Reimb. and Other Income <u>Proprietary Entry</u> None	5,000	5,000	A706	<u>Budgetary Entry</u> 461000 Allotments - Realized Resources 480100 Undelivered Orders – Obligations, Unpaid <u>Proprietary Entry</u> None	5,000	5,000	B306

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

7. To record the realization of previously anticipated and apportioned authority for programs subject to apportionment.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 459000 Apportionments - Anticipated Resources - Programs Subject to Apportionment 461000 Allotments – Realized Resources <u>Proprietary Entry</u> None	5,000	5,000	A122	<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None			

8. To record the inventory purchased for resale by the Performing Agency.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 461000 Allotments – Realized Resources 490100 Delivered Orders – Obligations, Unpaid <u>Proprietary Entry</u> 152100 Inventory Purchased for Resale 211000 (N) Accounts Payable	5,000	5,000	B430	<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None			

9. To record activity for current-year purchases of inventory and related property.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2,	DR	CR	TC

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

				and 3			
<u>Memorandum Entry</u> 880300 (N) Purchases of Inventory and Related Property 880100 (N) Offset for Purchases of Assets	5,000		G122	<u>Memorandum Entry</u> None			
10. To record revenue earned in the performing agency for goods or services performed on a reimbursable order without an advance. Note: The ordering agency would record either transaction 12, 16, or 19 illustrated below depending on which assumption applies.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 425100 Reimbursements and Other Income Earned - Receivable 422100 Unfilled Customer Orders Without Advance <u>Proprietary Entry</u> 131000(F) Accounts Receivable 510000(F) Revenue from Goods Sold	5,000	5,000	A714	<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None			

11. To record cost of goods sold.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2, and 3	DR	CR	TC

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

<u>Budgetary Entry</u> None			E408	<u>Budgetary Entry</u> None		
<u>Proprietary Entry</u> 650000(F) Cost of Goods Sold ¹ 152100 Inventory Purchased for Resale	5,000	5,000		<u>Proprietary Entry</u> None		

Entries 12 – 15 apply to Assumption 1: the asset meets capitalization threshold and is recorded as Property, Plant and Equipment.

12. Ordering Agency 1 meets the capitalization threshold and accrues a liability for the asset that meets the capitalization threshold.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> 480100 Undelivered Orders – Obligations, Unpaid 490100 Delivered Orders – Obligations, Unpaid	5,000	5,000	B402
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 175000 Equipment 211000(F) Accounts Payable	5,000	5,000	

13. To record appropriations used this fiscal year.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> None			

¹ OMB Circular A-136 Note 22: Preceding transactions in a product’s life cycle will not have an impact on subsequent transactions. If a Federal entity purchases goods or services from another Federal entity, capitalizes them into inventory, and later resells them to the public, the cost of the original purchase of resale assets from the other Federal entity will be classified as “intragovernmental” at the time of the purchase. At ultimate sale to the end user, the resulting cost of goods will be classified as “with the public.” The purpose of this classification is to enable the Federal Government to provide consolidated financial statements, and not to match public and intragovernmental revenue with costs that are incurred to produce public and intragovernmental revenue.

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 310700(G) Unexp Approp - Used 570000(G) Expended Appropriations	5,000	5,000	B134
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14. To record activity for current-year purchase of property, plant and equipment.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1	DR	CR	TC
<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880200(F) Purchases of PPE 880100(F) Offset to Purchases of Assets	5,000	5,000	G120

15. To record depreciation, amortization, and depletion expense on assets other than investments.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> None			E120
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 671000(N) Deprec, Amort, and Depletion 175900 Accumulated Deprec on Equip	1,000	1,000	

Entries 16 – 18 apply to Assumption 2: the asset did not meet the capitalization threshold. Therefore the asset was expensed.

16. Ordering Agency 2 does not meet the capitalization threshold and expenses the asset							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 2	DR	CR	TC
<u>Budgetary Entry</u>				<u>Budgetary Entry</u>			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

None				480100 Undelivered Orders – Oblig, unpaid 490100 Delivered Orders – Oblig, unpaid	5,000		
<u>Proprietary Entry</u>				<u>Proprietary Entry</u>			
None				615000 Expensed Asset 211000(F) Accounts Payable	5,000	5,000	B402

17. To record appropriations used this fiscal year.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 2	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> None			B134
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 310700(G) Unexp Approp - Used 570000(G) Expended Appropriations	5,000	5,000	

18. To record activity for current-year purchases of other assets not recorded as Property, Plant and Equipment, or Inventory and Related Property.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 2	DR	CR	TC
<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880400(F) Purchases of Assets - Other 880100(F) Offset to Purchases of Assets	5,000	5,000	G124

Entries 19 – 21 apply to Assumption 3: the asset is recorded as inventory.

19. Ordering Agency 3 records asset as inventory.

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Performing Agency	DR	CR	TC	Ordering Agency Assumption 3	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> 480100 Undelivered Orders – Oblig, unpaid 490100 Delivered Orders – Oblig, unpaid	5,000	5,000	B402
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 152700 Inventory – Finished Goods 211000(F) Accounts Payable	5,000	5,000	

20. To record appropriations used this fiscal year.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 3	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> None			B134
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 310700(G) Unexp Approp - Used 570000(G) Expended Appropriations	5,000	5,000	

21. To record activity for current-year purchase of inventory and related property.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 3	DR	CR	TC
<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880300(F) Purchases of Inventory and Related Property 880100(F) Offset to Purchases of Assets	5,000	5,000	G122

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Pre-Closing Adjusted Trial Balance of Each Scenario

		Performing Agency		Ordering Agency Assumption 1		Ordering Agency Assumption 2		Ordering Agency Assumption 3	
Account	Description	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Budgetary									
411900	Other Appropriations Realized	-		5,000		5,000		5,000	
421000	Anticipated Reimb & Other Inc	-							
422100	Unfilled Cust Ord w/o Advance	-							
425100	Reim and Other Inc Earned - Receiv	5,000							
445000	Unapportioned Authority		-						
451000	Apportionments		-		-		-		-
459000	Apportionment – Ant Resources		-						
461000	Allotment – Realized Resources		-		-		-		-
480100	Undelivered Orders – Oblig, unpaid				-		-		-
490100	Delivered Orders – Oblig, unpaid		5,000		5,000		5,000		5,000
Total		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Proprietary									
101000 (G)	FBWT	-		5,000		5,000		5,000	
131000 (F)	Accounts Receivable	5,000							
152100	Inventory – Purchased for resale	-							
152700	Inventory – Finished Goods							5,000	
175000	Equipment			5,000					
175900	Accumulated Deprec on Equip				1,000				
211000 (N)	Accounts Payable		5,000						
211000 (F)	Accounts Payable				5,000		5,000		5,000
310100 (G)	Unexp Approp – Received				5,000		5,000		5,000
310700 (G)	Unexp Approp – Used			5,000		5,000		5,000	
331000	Cumulative Results of Operations								
510000 (F)	Revenue from Goods Sold		5,000						
570000 (G)	Expended Appropriations				5,000		5,000		5,000
615000	Expensed Asset					5,000			
650000 (F)	COGS	5,000							
671000 (N)	Depreciation				1,000				
Total		10,000	10,000	16,000	16,000	15,000	15,000	15,000	15,000

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Account		Performing Agency		Ordering Agency Assumption 1		Ordering Agency Assumption 2		Ordering Agency Assumption 3	
		Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Memorandum									
880100 (F)	Offset of Purchases of Assets				5,000		5,000		5,000
880100 (N)	Offset of Purchases of Assets		5,000						
880200 (F)	Purchases of PPE			5,000					
880300 (F)	Purchases of Inventory							5,000	
880300 (N)	Purchases of Inventory	5,000							
880400 (F)	Purchases of Assets - Other					5,000			
Total		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000

Closing Entries

Performing Agency (Entry consistent regardless of Ordering Agency entry)

22. To record closing of revenue and expended appropriation to cumulative results of operations.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2 and 3	DR	CR	TC
<u>Budgetary Entry</u> None			F336	<u>Budgetary Entry</u> None			F336
<u>Proprietary Entry</u> 510000(F) Revenue from Goods Sold 331000 Cumulative Results of Operations	5,000	5,000		<u>Proprietary Entry</u> 570000 (G) Expended Appropriations 331000 Cumulative Results of Operations	5,000	5,000	

23. To record closing of expenses to cumulative results of operations.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2	DR	CR	TC

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

				and 3			
<u>Budgetary Entry</u> None			F336	<u>Budgetary Entry</u> None			F336
<u>Proprietary Entry</u> 331000 Cumulative Results of Operations 650000(F) Cost of Goods Sold	5,000		5,000	<u>Proprietary Entry</u> None			

24. To record closing of expenses to cumulative results of operations.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> None			F336
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 331000 Cumulative Results of Operations 671000(N) Depreciation, Amortization, and Depletion	1,000		1,000

25. To record closing of expensed asset to cumulative results of operations.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 2	DR	CR	TC
<u>Budgetary Entry</u> None				<u>Budgetary Entry</u> None			F336
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> 331000 Cumulative Results of Operations 615000 Expensed Asset	5,000		5,000

26. To record closing of memorandum accounts for property, plant and equipment.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1	DR	CR	TC

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880100(F) Offset for Purchases of Assets 880200(F) Purchase of PP&E	5,000		5,000	F370
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27. To record closing of memorandum accounts for current-year purchases of other assets.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 2	DR	CR	TC
<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880100(F) Offset for Purchases of Assets 880400(F) Purchases of Assets - Other	5,000	5,000	F370

28. To record closing of memorandum accounts for purchases of inventory.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 3	DR	CR	TC
<u>Memorandum Entry</u> 880100(N) Offset for Purchases of Assets 880300(N) Purchase of Inventory and Related Property	5,000	5,000	F370	<u>Memorandum Entry</u> 880100(F) Offset for Purchases of Assets 880300(F) Purchase of Inventory and Related Property	5,000	5,000	F370

29. To record closing of fiscal-year activity to unexpended appropriations.							
Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2 and 3	DR	CR	TC
<u>Budgetary Entry</u>				<u>Budgetary Entry</u>			

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None				None					F342
<u>Proprietary Entry</u>				<u>Proprietary Entry</u>					
None				310100(G) Unexp. Appropriations – Received	5,000				
				310700(G) Unexp. Appropriation – Used			5,000		

30. To record the consolidation of actual net-funded resources and reductions for withdrawn funds.

Performing Agency	DR	CR	TC	Ordering Agency Assumption 1, 2 and 3	DR	CR	TC
<u>Budgetary Entry</u>				<u>Budgetary Entry</u>			
None				420100 Total Actual Resources – Collected	5,000		
				411900 Other Appropriations Realized		5,000	
<u>Proprietary Entry</u>				<u>Proprietary Entry</u>			
None				None			F302

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Post-Closing Trial Balance of Each Scenario

		Performing Agency		Ordering Agency Assumption 1		Ordering Agency Assumption 2		Ordering Agency Assumption 3	
Account	Description	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
<u>Budgetary</u>									
420100	Total Actual Resources - Collected			5,000		5,000		5,000	
425100	Reim and Other Inc Earned - Receiv	5,000							
465000	Allotments - Expired Authority								
490100	Delivered Orders – Oblig, unpaid		5,000		5,000		5,000		5,000
Total		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
<u>Proprietary</u>									
101000 (G)	FBWT			5,000		5,000		5,000	
131000 (F)	Accounts Receivable	5,000							
152100	Inventory – Purchased for resale								
152700	Inventory – Finished Goods							5,000	
175000	Equipment			5,000					
175900	Accumulated Deprec on Equip				1,000				
211000 (N)	Accounts Payable		5,000						
211000 (F)	Accounts Payable				5,000		5,000		5,000
331000	Cumulative Results of Operations				4,000				5,000
Total		5,000	5,000	10,000	10,000	5,000	5,000	10,000	10,000

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Financial Statements:

BALANCE SHEET					
		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
	Assets:				
	Intragovernmental				
1.	Fund Balance With Treasury (101000E)		5,000	5,000	5,000
3.	Accounts Receivable (131000E)	5,000			
6.	Total Intragovernmental (calc.)	5,000	5,000	5,000	5,000
	Assets With the Public:				
12.	Inventory & Related Property(152100E, 152700E)				5,000
13.	Equipment (175000E)		5,000		
14.	Accum Deprec. on Equip (175900E)		(1,000)		
15.	Total Assets (calc.)	<u>5,000</u>	<u>9,000</u>	<u>5,000</u>	<u>10,000</u>
	Liabilities:				
	Intragovernmental				
17.	Accounts Payable (211000E)		5,000	5,000	5,000
19.	Other				
20.	Total Intragovernmental (calc.)	-	5,000	5,000	5,000
	Liabilities With Public:				
21.	Accounts Payable (211000E)	5,000			
28.	Total Liabilities (calc.)	5,000	5,000	5,000	5,000
	Net Position:				
31.	Unexpended Appropriations – All Other Funds (310100E, 310700E, 331000B)	-	-	-	-
33.	Cumulative Results of Operations – All Other Funds (510000E, 570000E, 615000E, 650000E, 671000E, 880100E, 880200E, 880300E, 880400E)	-	4,000	-	5,000
35.	Total Net Position – All Other Funds (calc.)	-	4,000	-	5,000
36.	Total Net Position (calc.)	-	4,000	-	5,000

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

BALANCE SHEET					
		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
	Assets:				
37.	Total Liabilities and Net Position (calc.)	<u>5,000</u>	<u>9,000</u>	<u>5,000</u>	<u>10,000</u>

STATEMENT OF NET COST					
		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
	Gross Program Costs:				
	Program A:				
1.	Gross costs (615000E, 650000E, 671000E, 880100E, 880200E, 880300E, 880400E)	5,000	1,000	5,000	-
2.	Less: earned revenue (510000E).	<u>5,000</u>	-	-	-
3.	Net Program costs (calc. 1-2)	-	<u>1,000</u>	<u>5,000</u>	-
5.	Net program costs including Assumption change: (calc. 3+4)	-	<u>1,000</u>	<u>5,000</u>	-
8.	Net cost of operations (calc. 5+6-7)	-	<u>1,000</u>	<u>5,000</u>	-

STATEMENT OF CHANGES IN NET POSITION

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
	Cumulative Results of Operations:				
	Budgetary Financing Sources:				
5.	Appropriations Used (570000E)		<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
14.	Total Financing Sources (calc. 4..13)		5,000	5,000	5,000
15.	Net Cost of Operations (+/-)		<u>(1,000)</u>	<u>(5,000)</u>	=
16.	Net Change (calc 14-15)		<u>4,000</u>	=	<u>5,000</u>
17.	Cumulative Results of Operations (calc. 3+16)		4,000	=	5,000
	Unexpended Appropriations:				
	Budgetary Financing Sources:				
21.	Appropriations Received (310100E)		5,000	5,000	5,000
24.	Unexpended Appropriations used (310700E)		<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>
25.	Total Budgetary Financing Sources (calc. 21..24)		=	=	=
26.	Total Unexpended Appropriations (calc. 20 + 25)		=	=	=
27.	Net Position (calc 17+26)		4,000	=	5,000

STATEMENT OF BUDGETARY RESOURCES			
		Performing Agency	Ordering Agency Assumption 1, 2, 3

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

	Budgetary Resources:		
1290	Appropriations (discretionary and mandatory) (411900E)		5,000
1890	Spending Authority from offsetting collections (425100E)	<u>5,000</u>	-
1910	Total Budgetary Resources	<u>5,000</u>	<u>5,000</u>
	Status of Budgetary Resources:		
2190	Obligations Incurred (490100E)	5,000	5,000
2204	Apportioned (461000E)		
2490	Total Unobligated Balance, end of year		
2500	Total Budgetary Resources	<u>5,000</u>	<u>5,000</u>
	Change in obligated balance		
	Unpaid Obligations:		
3012	Obligations Incurred (490100E)	5,000	5,000
3050	Unpaid Obligations, end of year (490100E)	5,000	5,000
3072	Change in Uncollected Payments, Fed source (425100E)	(5,000)	
3090	Uncollected payments, Fed Sources, end of year (425100E)	(5,000)	
	Memorandum (non-add) entries		
3200	Obligated Balance, end of year	<u>5,000</u>	<u>5,000</u>

STATEMENT OF BUDGETARY RESOURCES			
		Performing Agency	Ordering Agency Assumption 1, 2, 3
	Budget Authority and Outlays, Net:		
4175	Budget Authority, Gross (discretionary and mandatory)	<u>5,000</u>	<u>5,000</u>

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

4178	Change in Uncollected payments, Fed Sources (discretionary and mandatory) (425100E)		(5,000)		
SF 133: Report on Budget Execution and Budgetary Resources & Budget Program and Financing Schedule (Schedule P)					
		Performing Agency		Ordering Agency Assumption 1, 2, 3	
		SF 133	Schedule P	SF 133	Schedule P
1900	Budget authority (total)	5,000	5,000	5,000	5,000
1910	Total budgetary resources	<u>5,000</u>		<u>5,000</u>	
1930	Total budgetary resources available		<u>5,000</u>		<u>5,000</u>
Memorandum (non-add) entries:					
All accounts: SF 133: Report on Budget Execution and Budgetary Resources & Budget Program and Financing Schedule (Schedule P)					
1940	Unobligated balance expiring (-) (461000E)				
		Performing Agency		Ordering Agency Assumption 1, 2, 3	
		SF 133	Schedule P	SF 133	Schedule P
STATUS OF BUDGETARY RESOURCES					
Obligations in Resources					
Direct accounts:					
2000	Category A obligations (490100E)	5,000	<u>5,000</u>	5,000	<u>5,000</u>
2004	Direct obligations (total)	<u>5,000</u>		<u>5,000</u>	
2190	Budget authority	<u>5,000</u>		<u>5,000</u>	
Appropriations:					
Unobligated balance:					
1100	Appropriations (411900E)			5,000	5,000
2500	Total budgetary resources (total)	<u>5,000</u>		<u>5,000</u>	5,000
Memorandum (non-add) entries:					
Spending Authority From offsetting collections:					
2501	Discretionary	5,000		5,000	
1701	Change in uncollected payments, Federal sources (425100E)	5,000	5,000		
1750	Spending Authority From offsetting collections, discretionary (total)	5,000	5,000		

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

SF 133: Report on Budget Execution and Budgetary Resources & Budget Program and Financing Schedule (Schedule P)					
		Performing Agency		Ordering Agency Assumption 1, 2, 3	
		SF 133	Schedule P	SF 133	Schedule P
	CHANGE IN OBLIGATED BALANCE				
	Unpaid obligations:				
3010	Obligations incurred, unexpired accounts (490100E)	5,000	5,000	5,000	5,000
3050	Unpaid obligations, end of year (490100E)	5,000	5,000	5,000	5,000
	Uncollected payments:				
3070	Change in uncollected pymts, Fed sources, unexpired accounts (425100E)	(5,000)	(5,000)		
3090	Uncollected pymts, Fed sources, end of year (425100E)	(5,000)	(5,000)		
	Memorandum (non-add) entries:				
3200	Obligated balance, end of year	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	BUDGET AUTHORITY AND OUTLAYS, NET				
	Discretionary:				
	Gross budget authority and outlays:				
4000	Budget authority, gross	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired accounts (425100E)	<u>(5,000)</u>	<u>(5,000)</u>		
4060	Additional offsets against budget authority only (total)	<u>(5,000)</u>	<u>(5,000)</u>		
4070	Budget authority, net (discretionary)	=	=	<u>5,000</u>	<u>5,000</u>
4180	Budget authority, net (total)	=	=	<u>5,000</u>	<u>5,000</u>
4190	Outlays, net (total)	=	=	=	=

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Reclassified Financial Statements:

RECLASSIFIED BALANCE SHEET					
		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
1	Assets				
2	Non-Federal				
2.5	Inventories and Related Property, Net (152100E, 152700E)				5,000
2.6	Property, Plant, and Equipment, Net (175000E)		4,000		
2.10	Total Non-Federal Assets (calc. 2.1..2.9)		4,000	-	5,000
3	Federal				
3.1	Fund Balance with Treasury (RC40) (101000G)		5,000	5,000	5,000
3.3	Accounts Receivable (RC 22) /1 (131000E)	5,000			
3.14	Total Federal Assets	5,000	5,000	5,000	5,000
4	Total Assets (calc. 2.10..3.13)	<u>5,000</u>	<u>9,000</u>	<u>5,000</u>	<u>10,000</u>
5	Liabilities:				
6	Non-Federal				
6.1	Accounts Payable (211000E)	5,000			
6.10	Total Non-Federal Liabilities	5,000			
7	Federal				
7.1	Accounts Payable (RC 22) /1 (211000E,)		5,000	5,000	5,000
7.13	Total Federal Liabilities (calc. 7.1..7.12)		5,000	5,000	5,000
8	Total Liabilities (calc. 6.10..7.13)	5,000	5,000	5,000	5,000
9	Net Position:				
9.2	Net Position– Funds Other Than Those From Dedicated Collections (310100E, 310700E, 510000E, 570000E, 615000E, 650000E,671000E, 880100E, 880200E, 880300E, 880400E)		4,000	-	5,000
10	Total Net Position (calc. 9.1+9.2)		4,000	-	5,000
11	Total Liabilities and Net Position (calc. 8+10)	5,000	9,000	5,000	10,000

RECLASSIFIED STATEMENT OF NET COST					
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Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
1	Gross Costs				
2	Non-Federal Gross Costs (615000E, 671000E)		1,000	5,000	
6	Total Non-Federal Gross Cost (calc 2..5)		1,000	5,000	
7	Federal Gross Cost				
7.3	Buy/Sell Cost (RC 24) /2 (650000E, 610000E)	5,000			
7.4	Purchase of Assets – (RC 24) (880200E, 880300E, 880400E)		5,000	5,000	5,000
8	Total Federal Gross Cost (calc. 7.1..7.9)	5,000	5,000	5,000	5,000
9	Department Total Gross Cost (calc. 6+8)	5,000	6,000	10,000	5,000
10	Earned Revenue				
12	Federal Earned Revenue				
12.1	Benefit Program Revenue (RC 26) /2 (540000E, 540900E)				
12.2	Buy/Sell Revenue (RC 24) /2 (510000E)	5,000			
12.3	Purchase of Assets Offset (RC 24) (880100E)		(5,000)	(5,000)	(5,000)
13	Total Federal Earned Revenue (calc. 12.1..12.6)	5,000	(5,000)	(5,000)	(5,000)
14	Department Total Earned Revenue (calc. 11+13)	5,000	(5,000)	(5,000)	(5,000)
15	Net Cost of Operations (calc. 9-14)	-	1,000	5,000	-

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

RECLASSIFIED STATEMENT OF CHANGES IN NET POSITION					
		Performing Agency	Ordering Agency Assumption 1	Ordering Agency Assumption 2	Ordering Agency Assumption 3
7	Budgetary Finance Sources:				
7.1	Appropriation Received As Adjusted (Rescissions and Other Adjustments) (RC41)/1 (310100E)		5,000	5,000	5,000
7.2	Appropriations Used (RC 39) (310700E)		(5,000)	(5,000)	(5,000)
7.3	Appropriations Expended (RC 39) (570000E)		5,000	5,000	5,000
7.18	Total Budgetary Financing Sources (calc. 7.1..7.17)		5,000	5,000	5,000
9	Net Cost of Operations (+/-)		(1,000)	(5,000)	-
10	Ending Net Position Balance (calc. 7.18 and 9)		4,000	-	5,000

Intragovernmental Eliminations:

Agency	USSGL	RC	Financial Statement Line	Amount
Performing Agency	510000	24	SNC Line 12.2 (Buy/Sell Revenue)	(5,000)
Ordering Agency 1, 2, 3	880200-880400	24	SNC Line 7.4 (Purchase of Assets)	5,000
Performing Agency	650000	24	SNC Line 7.3 (Buy/Sell Cost)	5,000
Ordering Agency 1, 2, 3	880100	24	SNC Line 12.3 (Purchase of Assets Offset)	(5,000)
Performing Agency	131000	22	BS Line 3.3 (Accounts Receivable)	5,000
Ordering Agency 1, 2, 3	211000	22	BS Line 7.1 (Accounts Payable)	(5,000)