

March 2000

**SGL INTERIM GUIDANCE for
Authority Temporarily Precluded from Obligation
Effective FY 2000**

Prelude

This document illustrates the FY 2000 INTERIM GUIDANCE for authority temporarily precluded from obligation. The guidance is applicable to Treasury Appropriation Fund Symbols (TAFS) that have authority that becomes precluded either during the year (i.e. by legislation) or at the end of the year (i.e. certain trust funds whose receipts are immediately appropriated, but precluded from obligation by a provision of law, such as a benefit formula or limitation). Furthermore, it is specific to TAFS that include both of the following in the President's Budget: a) Schedule on Unavailable Collections (Schedule N) located directly above the Program and Financing Schedule (P&F), and b) one or more of the following lines reported on the P&F: 6045, 6845, 6028, 6826, 6926. The transactions are effective immediately.

PLEASE NOTE that this is interim guidance, and not all TAFS using SGL account 4395 - Authority Unavailable Pursuant to Public Law-Temporary are subject to this accounting treatment. For example, TAFS that do NOT have a Schedule N in the Budget will not follow this guidance. Additionally, TAFS that do not report on the P&F lines mentioned above may not be subject to this guidance.

RECLASSIFICATION ENTRY for FY 2001

New accounts that were proposed to the SGL Board on February 17, 2000 for this activity will be effective in FY 2001, and are presented in a separate scenario. When the new accounts become effective, Treasury Appropriation Fund Symbols subject to this guidance should make the following one-time only RECLASSIFICATION ENTRY:

4395	Authority Unavailable Pursuant to Public Law – Temporary	xxx	
	(new) 4397 Receipts and Appropriations Temporarily Precluded from Obligation	xxx	
- or -	(new) 4398 Offsetting Collections Temporarily Precluded from Obligation	xxx	

This reclassification entry is to occur **post-closing**, and **prior** to the FY 2001 Quarter 1 FACTS II submission. In other words, for Quarter 4 FY 2000, submit the ending balance of SGL account 4395 (as well as the beginning balance). Then, for Quarter 1 FY 2001, AFTER posting the reclassification entry, submit the beginning balance of the new SGL accounts (4397, 4398). (The beginning balance of 4395 relative to this activity will be zero.)

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Year 1

1. To record appropriated receipts into a trust fund.			
Proprietary			
1010	Fund Balance with Treasury	500	
	5800G Tax Revenue Collected		500
Budgetary			
4114	Appropriated Trust or Special Fund Receipts	500	
	4620 Unobligated Funds Not Subject to Apportionment		500
2. To record offsetting collections (Federal) received by trust fund for work performed under the Economy Act.			
Proprietary			
1010	Fund Balance with Treasury	700	
	5200 Revenue from Services Provided		700
Budgetary			
4252	Reimbursements and Other Income Earned - Collected		700
	4450 Unapportioned Authority		700
3. To record obligation, expenditure and disbursement of funds against portion of receipts collected in transaction 1.			
Proprietary			
6100N	Operating Expenses/Program Costs	225	
	1010 Fund Balance with Treasury		225
Budgetary			
4620	Unobligated Funds Not Subject to Apportionment	225	
	4902 Expended Authority - Paid		225

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4. To record apportionment, allotment, and subsequent obligation, expenditure and disbursement of funds against the offsetting collections in transaction 2.

Proprietary			
6100N	Operating Expenses/Program Costs	75	
1010	Fund Balance with Treasury		75
Budgetary			
4450	Unapportioned Authority	75	
4510	Apportionments		75
4510	Apportionments	75	
4610	Allotments - Realized Resources		75
4610	Allotments - Realized Resources	75	
4801	Unexpended Obligations - Unpaid		75
4801	Unexpended Obligations - Unpaid	75	
4902	Expended Authority - Paid		75

ADJUSTING ENTRIES:

A1) To record appropriated receipts temporarily precluded from obligation.

4620	Unobligated Funds Not Subject to Apportionment	275	
4395	Authority Unavailable Pursuant to Public Law – Temporary*		275

A2) To record offsetting collections temporarily precluded from obligation.

4450	Unapportioned Authority	625	
4395	Authority Unavailable Pursuant to Public Law – Temporary*		625

**Note: For FY 2000, receipts and offsetting collections temporarily precluded from obligation must be tracked separately for proper Program & Financing reporting.*

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Year 1

Budgetary

Pre-Closing Adjusted Trial Balance (FACTS II ATB)

4114	500	
4252	700	
4395		900
4902		300
	1,200	1,200

Year 1

Proprietary

Pre-Closing Adjusted Trial Balance (FACTS I ATB)

1010	900	
5800		500
5200		700
6100	300	
	1,200	1,200

Budgetary Closing Entries:

C1. To consolidate resources

4201 Total Actual Resources - Collected 1,200

4114 Approp Trust or Sp Fd Receipts 500
4252 Reimb and Other Inc Earned - Coll 700

C2. To close expended authority paid

4902 Expended Authority - Paid 300
4201 Total Actual Resources - Collected 300

Proprietary Closing Entries:

C1. To close revenues and expenses into cumulative results of operations

5800 Tax Revenue Collected 500
5200 Revenue fr Services Prov 700
3310 Cum. Results of Operations 900
6100 Operating Exp/Prog Costs 300

Budgetary Post-Closing Trial Balance

4201	900	
4395		900
	900	900

Proprietary Post-Closing Trial Balance

1010	900	
3310		900
	900	900

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Year 1

SF 133 - Quarter 4

1A	Appropriations (4114E)	500	
2A	Unobligated balance brought forward	0	
3A1	Spending authority from offsetting collections (4252E)	700	
5	Temporarily not available pursuant to P.L. (4395E-B)		(900)
7	Total budgetary resources	300	
8A1	Obligations incurred, direct (4902E)		75
8A3	Obligations incurred, direct, not subj to apport (4902E)	225	
9	Unobligated Balances Available	<u>0</u>	
11	Total Status of budgetary resources	300	
12.	Obligated Balance, net as of October 1		
13.	Obligated Balance Transferred, net		
14.	Obligated balance, net, end of period		
15A.	Disbursements (4902E)	300	
15B.	Collections (4252E)	700	

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Column 5	Post-closing unexpended balance (1010E)	900
Column 11	Unobligated balance (4395E)	900

Schedule P - Program & Financing

Obligations by Program Activity

1000	Total New Obligations (4902E)	300
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Budgetary Resources Available for Obligation

2200	New budget authority (gross) (sum 4000 to 6990)	300
2395	Total new obligations (-) (from line 1000)	<u>(300)</u>
2499	Total unobligated balance, end of year	0

New Budgetary Authority (Gross) Detail

6027	Appropriation (trust fund, indefinite) (4114E)		500
6045	Portion precluded from obligation (-) (4395E-B*)	(275)	
6800	Discr spend authority from offsetting collections (4252E)	700	
6845	Portion unavailable for obligation (-) (4395E-B*)	<u>(625)</u>	
7000	Total new budget authority (gross) (4114E+4252E+4395E-B)	300	

*Note: For FY 2000, receipts (budget authority) and offsetting collections temporarily precluded from obligation must be tracked separately – refer to Adjusting Entries (A1 and A2) on page 3.

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Year 1

Form and Content Reports

<u>Balance Sheet</u>	
ASSETS	
1A1. Entity-Intragovernmental (1010E)	900
LIABILITIES & NET POSITION	
8. Cumulative Results of Operations (3310E)	900
<u>Statement of Net Cost</u>	
1B1. Program Costs-Public-Production (6100E)	300
1D. Less Earned Revenue (5200E) (700)	
5. Net Cost of Operations (calc)	(400)
<u>Statement of Changes in Net Position</u>	
1. Net Cost of Operations	(400)
2B. Financing Sources-Taxes (5800E)	500
9. Net Position-End of Period (calc)	900

<u>Statement of Budgetary Resources</u>	
1A. Budg Auth - Approps (4114E)	500
3A1. Sp Auth from Off Coll (4252E)	
	700
4B. Adj-Temp not Avail (4395E-B) (900)	
5. Total Budgetary Resources	300
6. Obligations Incurred (4902E)	<u>300</u>
9. Total Status of Resources	300
10. Obligations Incurred (4902E)	300
11A1. Sp Auth from Off Coll (4252E)	700
15. Total Outlays (calc)	(400)
<u>Statement of Financing</u>	
1A. Obligations Incurred (4902E)	300
1B1a.Earned Reimb Collected (4252E)	
	<u>(700)</u>
1J. Total (calc)	(400)
5.Net Cost of Operations (calc)	(400)

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**SGL INTERIM GUIDANCE for
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Year 2

1. To record appropriated receipts into a trust fund.			
Proprietary			
1010	Fund Balance with Treasury	600	
	5800G Tax Revenue Collected		600
Budgetary			
4114	Appropriated Trust or Special Fund Receipts	600	
4620	Unobligated Funds Not Subject to Apportionment		600
2a. To record obligation, expenditure and disbursement of funds. <i>Current year receipts do not cover expenses.</i>			
Proprietary			
6100N	Operating Expenses/Program Costs	750	
	1010 Fund Balance with Treasury		750
Budgetary			
4620	Unobligated Funds Not Subject to Apportionment	750	
	4902 Expended Authority - Paid		750
- and -			
2b. To record authority made available from previously unavailable balances.			
4395	Authority Unavailable Pursuant to Public Law – Temporary	150	
	4620 Unobligated Funds Not Subject to Apportionment		150

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Year 2

BUDGETARY

Pre-Closing Adjusted Trial Balance (FACTS II ATB)

4114	600	
4201	900	
4395		750
4902		750
	1,500	1,500

Budgetary Closing Entries:

- C1. To consolidate resources and close expended authority paid
- 4902 Expended Authority - Paid 750
- 4114 Approp Trust or Sp Fd Receipts 600
- 4201 Total Actual Resources - Coll 150**
- C2. To reduce balances prev precluded from obligation by amt needed to cover current year obligations

Budgetary Post-Closing Trial Balance

4201	750	
4395		750
	750	750

Year 2

PROPRIETARY

Pre-Closing Adjusted Trial Balance (FACTS I ATB)

1010	750	
5800		600
6100	750	
3310		900
	1,500	1,500

Proprietary Closing Entries:

- C1. To close revenues and expenses into cumulative results of operations
- 5800 Tax Revenue Collected 600
- 3310 Cumulative Results of Operations 150**
- 6100 Operating Exp/Prog Costs 750

Proprietary Post-Closing Trial Balance

1010	750	
3310		750
	750	750

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Year 2

SF 133 - Quarter 4

1A	Appropriations (4114E)	600	
2A	Unobligated balance brought forward (4201B+4395B)	0	
3A1	Spending authority from offsetting collections		
5	Temporarily not available pursuant to P.L. (4395E-B)		- (150)*
7	Total budgetary resources	750	
8A3	Obligations incurred, direct, not subj to apport (4902E)	750	
9	Unobligated Balances Available	<u>0</u>	
11	Total Status of budgetary resources	750	
12.	Obligated Balance, net as of October 1		
13.	Obligated Balance Transferred, net		
14.	Obligated balance, net, end of period		
15A.	Disbursements (4902E)	750	

*NOTE: Line 5 is typically a negative amount; however, for interim purposes, as illustrated above, it may be a positive amount. For **Quarter 4 of FY 2000**, if line 5 results in a positive amount, FACTS II will require a footnote to SGL account 4395. Details of the footnote are forthcoming.

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Column 5	Post-closing unexpended balance (1010E)	750
Column 11	Unobligated balance (4395E)	750

Schedule P - Program & Financing

Obligations by Program Activity

1000	Total New Obligations (4902E)	750
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Budgetary Resources Available for Obligation

2200	New budget authority (gross) (sum 4000 to 6990)	750
2395	Total new obligations (-) (from line 1000)	<u>(750)</u>
2499	Total unobligated balance, end of year	0

New Budgetary Authority (Gross) Detail

6027	Appropriation (trust fund, indefinite) (4114E)		600
6028	Appropriation (unavailable balances) (4395E) Debit balances only; Portion related to receipts	75	
6045	Portion precluded from obligation (-) (4395E-B) (Credit balances only)		
6800	Discr spend authority from offsetting collections		
6826/6926	From off. coll. (unavail. bal.) (4395E) Debit balances only; Portion related to offsetting collections		75
6845	Portion unavailable for obligation (-) (4395E-B) (Credit balances only)		
7000	Total new budget authority (gross) (4114E+4252E+4395E-B)	750	

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Year 2

Form and Content Reports

<u>Balance Sheet</u>	
ASSETS	
1A1. Entity-Intragovernmental (1010E)	750
LIABILITIES & NET POSITION	
8. Cumulative Results of Operations (3310E)	750
<u>Statement of Net Cost</u>	
1B1. Program Costs-Public-Production (6100E)	750
5. Net Cost of Operations (calc)	750
<u>Statement of Changes in Net Position</u>	
1. Net Cost of Operations	750
2B. Financing Sources-Taxes (5800E)	600
8. Net Position-Beg of Period (3310B)	900
9. Net Position-End of Period (calc)	750

<u>Statement of Budgetary Resources</u>	
1A. Budg Auth - Approps (4114E)	600
2A. Unob Bal - Brought Forward (4201B, 4395B)	0
4B. Adj-Temp not Avail (4395E-B)	-
	<u>(15</u>
	<u>0)</u>
5. Total Budgetary Resources	750
6. Obligations Incurred (4902E)	<u>750</u>
9. Total Status of Resources	750
10. Obligations Incurred (4902E)	750
15. Total Outlays (calc)	750
<u>Statement of Financing</u>	
1A. Obligations Incurred (4902E)	750
1J. Total (calc)	750
5. Net Cost of Operations (calc)	750