

**GUIDE FOR BASIC ACCOUNTING AND REPORTING
U.S. DEBIT CARD PROGRAM
EFFECTIVE FISCAL YEAR 2019**

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Version History

Version Number	Date	Description of Change	Effective USSGL TFM
1.0	06/3/2010	Original Version	S2-10-04
2.0	09/30/2018	Removes FS 224 and Standard Subclass Code references, and updates USSGL transaction codes and financial statements.	Bulletin 2018-08

Background

Federal Program Agencies (FPAs) are required to hold funds within the U.S. Treasury unless they have independent statutory authority to hold funds outside Treasury, in accordance with Title 31 U.S.C. § 3302, “*Custodians of Money.*” In addition, 31 CFR Part 208, “*Management of Federal Agency Disbursements,*” requires federal payments to be made via electronic funds transfer. However, one exception is if an FPA disburses payments through a Financial Agent designated by Treasury for reasons of economy and efficiency. In certain cases in which it’s necessary to make a payment, Direct Deposit may not be preferred or possible. For scenarios such as these, the U.S. Debit Card Program is regarded as a versatile financial solution to non-electronic payments. 1 TFM Part 4a, Chapter 3000 “*Requirements for Scheduling Payments Disbursed by the Bureau of the Fiscal Service*”, Section 30115.10g – “U.S. Debit Card” includes the U.S. Debit Card Program as an option to comply with the EFT provisions of 31 CFR Part 208.

The Bureau of the Fiscal Service’s Office of Chief Counsel has determined that FPAs do not need independent statutory authority to disburse payments via the U.S. Debit Card Program even though for accounting purposes the funds pool held by the U.S. Debit Card Financial Agent is treated as Funds Held Outside of Treasury.

The U.S. Debit Card program enables FPAs to issue federal payments to individuals through the use of a prepaid debit card issued by MetaBank. FPAs load the U.S. Debit Card with a prepaid amount (which is accounted for in a host system with a database of card serial numbers and associated balances) and then issue the card to a Federal payee. The payee may use the card at automated teller machines to make cash withdrawals or at point-of-sale terminals to make retail purchases. FPAs may issue the card as:

- A disposable payment mechanism, whereby a fixed amount of value is loaded onto the card, and, once the value is spent, the U.S. Debit Card is discarded; **OR**
- A reloadable payment mechanism, whereby the FPA can make multiple payments to a payee.

For more information, please visit: https://www.fiscal.treasury.gov/fsservices/gov/pmt/dbtCrd/dbtCrd_home.htm

This scenario shows the USSGL entries and reporting requirements for the U.S. Debit Card Program. For simplicity, the scenario reflects an FPA with funds from an **unexpired Treasury Account Symbol** establishing a U.S. Debit Card account. The FPA subsequently uses the U.S. Debit Card for a cash advance and/or an expense to pay for the normal costs of operations. This scenario follows USSGL TFM crosswalks.

Listing of USSGL Accounts Used in This Scenario

Account Number	Account Title
<u>Budgetary</u>	
411900	Other Appropriations Realized
420100	Total Actual Resources – Collected
445000	Unapportioned Authority
451000	Apportionments
461000	Allotments – Realized Resources
470000	Commitments – Programs Subject to Apportionment
480200	Undelivered Orders – Obligations, Prepaid/Advanced
490200	Delivered Orders – Obligations, Paid
<u>Proprietary</u>	
101000	Fund Balance With Treasury
112500	U.S. Debit Card Funds
141000	Advances and Prepayments
310000	Unexpended Appropriations – Cumulative
310100	Unexpended Appropriations – Appropriations Received
310700	Unexpended Appropriations – Used
331000	Cumulative Results of Operations
570000	Expended Appropriations
610000	Operating Expenses/Program Costs

A beginning Trial Balance is not used in this scenario.

Illustrative Transactions

The following transactions represent a Federal agency establishing a new U.S. Debit Card Fund, advancing funds to users, and the issuance of a U.S. Debit Card to payment recipients. Within this scenario, the FPA is operating from an unexpired Treasury Account Symbol and a direct appropriation.

1. To record the enactment of an appropriation.			
Accounting Transaction	DR	CR	TC
<u>Budgetary Entry</u> 411900 Other Appropriations Realized 445000 Unapportioned Authority	25,000	25,000	A104
<u>Proprietary Entry</u> 101000 (G) Fund Balance With Treasury 310100 (G) Unexpended Appropriations – Appropriations Received	25,000	25,000	
2. To record budget authority apportioned by the Office of Management and Budget.			
	DR	CR	TC
<u>Budgetary Entry</u> 445000 Unapportioned Authority 451000 Apportionments	25,000	25,000	A116
<u>Proprietary Entry</u> None			

**U.S. Debit Card Program
Effective Fiscal 2019**

3. To record the allotment of authority.			
	DR	CR	TC
<u>Budgetary Entry</u> 451000 Apportionments 461000 Allotments – Realized Resources <u>Proprietary Entry</u> None	25,000	25,000	A120

4. During Fiscal Year 2019, ‘Agency A’ establishes a U.S. Debit Card Fund for \$15,000. (‘Agency A’ has transferred cash from the Treasury General Account (TGA) to MetaBank for U.S. Debit Card Funds.) The funds have moved outside a TGA and are now Funds Held Outside of Treasury (FHOT.)			
	DR	CR	TC
<u>Budgetary Entry</u> 461000 Allotments – Realized Resources 470000 Commitments – Programs Subject to Apportionment <u>Proprietary Entry</u> 112500 (N) U.S. Debit Card Funds ¹ 101000 (G) Fund Balance With Treasury	15,000 15,000	15,000 15,000	D502

Agency A’s Central Accounting Reporting System (CARS) Account Statement should present a Business Event Type Code (BETC) for the establishment of the U.S. Debit Card fund as Funds Held Outside the Treasury. ¹

If the CARS activity does not have an appropriate FHOT BETC, Agency A should use the CARS Classification Transaction & Accountability (CTA) Module to reclassify the transaction to the correct FHOT BETC.

¹Please also refer to GTAS Edit Rule #5, “Funds Held Outside of Treasury Business Line Balances” within the USSGL Treasury Financial Manual Supplement, Section VII: GTAS Validation and Edits. (<https://tfm.fiscal.treasury.gov/v1/supplements/ussgl.html>) Agencies must verify that the balances of USSGL 112500 and other cash accounts equal the balance of Funds Held Outside of Treasury (FHOT) reported from the Central Accounting and Reporting System (CARS).

**U.S. Debit Card Program
Effective Fiscal 2019**

5. Agency A issues an advance to users for \$2,500. It records current-year undelivered orders with a U.S. Debit Card advance.			
	DR	CR	TC
Budgetary Entry 470000 Commitments – Programs Subject to Apportionment 480200 Undelivered Orders – Obligations, Prepaid/Advanced	2,500	2,500	B309
Proprietary Entry 141000 (N) Advances and Prepayments 112500 (N) U.S. Debit Card Funds ¹	2,500	2,500	
Agency A’s CARS Account Statement should report an appropriate FHOT BETC to reflect the advance to cardholders.¹			

6. The advanced funds are expended. The agency views the expended transactions in their online account and records current-year expended authority, in which the undelivered order was prepaid or advanced. Goods are delivered/Services are performed.			
	DR	CR	TC
Budgetary Entry 480200 Undelivered Orders – Obligations Prepaid/Advanced 490200 Delivered Orders – Obligations, Paid	2,500	2,500	B604
Proprietary Entry 610000 (N) Operating Expenses/Program Costs 141000 (N) Advances and Prepayments	2,500	2,500	
310700 Unexpended Appropriations – Used 570000 Expended Appropriations	2,500	2,500	B134

**U.S. Debit Card Program
Effective Fiscal 2019**

7. The agency has a requirement to reimburse an employee for a non-benefit related expense, and issues a Debit Card to the employee as the form of reimbursement. The agency records current-year expended authority using the U.S. Debit Card.			
	DR	CR	TC
<p><u>Budgetary Entry</u> 470000 Commitments – Programs Subject to Apportionment 490200 Delivered Orders – Obligations Paid</p>	10,000	10,000	B606
<p><u>Proprietary Entry</u> 610000 (N) Operating Expenses/Program Costs 112500 (N) U.S. Debit Card Funds ¹</p>	10,000	10,000	
To record appropriations used this fiscal year.			
<p><u>Budgetary Entry</u> None</p>			
<p><u>Proprietary Entry</u> 310700 (G) Unexpended Appropriations – Used 570000 (G) Expended Appropriations</p>	10,000	10,000	B134
Agency A’s CARS Account Statement should report an appropriate FHOT BETC to reflect the issuance of a debit card to cardholders as reimbursements. ¹			

**U.S. Debit Card Program
Effective Fiscal 2019**

Preclosing Trial Balance

	USSGL Account	Debit	Credit
	<u>Budgetary</u>		
411900	Other Appropriations Realized	25,000	
461000	Allotments – Realized Resources		10,000
470000	Commitments – Programs Subject to Apportionment		2,500
490200	Delivered Orders – Obligations, Paid		12,500
	TOTAL	25,000	25,000
	<u>Proprietary</u>		
101000 (G)	Fund Balance With Treasury	10,000	
112500 (N)	U.S. Debit Card Funds	2,500	
310100 (G)	Unexpended Appropriations – Appropriations Received		25,000
310700 (G)	Unexpended Appropriations – Used	12,500	
570000 (G)	Expended Appropriations		12,500
610000 (N)	Operating Expenses/Program Costs	12,500	
	TOTAL	37,500	37,500

Closing Entries

8. To record the consolidation of actual net-funded resources and reductions for withdrawn funds.			
	DR	CR	TC
<u>Budgetary Entry</u> 420100 Total Actual Resources - Collected 411900 Other Appropriations Realized <u>Proprietary Entry</u> None	25,000	25,000	F302
9. To record the closing of unobligated balances in programs subject to apportionment to unapportioned authority.			
	DR	CR	TC
<u>Budgetary Entry</u> 461000 Allotments – Realized Resources 470000 Commitments – Programs Subject to Apportionment 445000 Unapportioned Authority <u>Proprietary Entry</u> None	10,000 2,500	12,500	F308
10. To record the closing of paid delivered orders to actual resources.			
	DR	CR	TC
<u>Budgetary Entry</u> 490200 Delivered Orders – Obligations, Paid 420100 Total Actual Resources – Collected <u>Proprietary Entry</u> None	12,500	12,500	F314

**U.S. Debit Card Program
Effective Fiscal 2019**

11. To record closing of fiscal-year activity to unexpended appropriations.			
	DR	CR	TC
<u>Budgetary Entry</u> None			
<u>Proprietary Entry</u> 310100 (G) Unexpended Appropriations – Appropriations Received 310000 Unexpended Appropriations – Cumulative			
	25,000	25,000	F342
310000 Unexpended Appropriations – Cumulative 310700 (G) Unexpended Appropriations – Used			
	12,500	12,500	

12. To record the closing of expenses to cumulative results of operations.			
	DR	CR	TC
<u>Budgetary Entry</u> None			
<u>Proprietary Entry</u> 570000 (G) Expended Appropriations 331000 Cumulative Results of Operations			
	12,500	12,500	F336
331000 Cumulative Results of Operations 610000 (N) Operating Expenses/Program Costs			
	12,500	12,500	

Postclosing Trial Balance

	USSGL Account	Debit	Credit
	<u>Budgetary</u>		
420100	Total Actual Resources – Collected	12,500	
445000	Unapportioned Authority		12,500
	TOTAL	12,500	12,500
	<u>Proprietary</u>		
101000 (G)	Fund Balance With Treasury	10,000	
112500 (N)	U.S. Debit Card Funds	2,500	
310000 (N)	Unexpended Appropriations – Cumulative		12,500
	TOTAL	12,500	12,500

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Financial Statements

BALANCE SHEET		
	Assets:	
	Intragovernmental:	
1.	Fund Balance With Treasury (Note 3) (101000E)	10,000
6.	Total intragovernmental (calc.)	10,000
7.	Cash and other monetary assets (112500N)	2,500
15.	Total assets (calc.)	12,500
	Liabilities:	
28.	Total Liabilities	-
	Net Position:	
31.	Unexpended Appropriations – All Other Funds (310100E, 310700E)	12,500
33.	Cumulative Results of Operations – All Other Funds	-
35.	Total Net Position - All Other Funds (Combined or Consolidated Totals) (calc.)	12,500
36.	Total Net Position (calc.)	12,500
37.	Total liabilities and net position (calc.)	12,500

STATEMENT OF NET COST		
	Program Costs:	
1.	Gross costs (610000E)	12,500
2.	Less: earned revenue	-
3.	Net program costs (calc.)	12,500
5.	Net program costs including Assumption Changes (calc.)	12,500
6.	Costs not assigned to programs	-
7.	Less: earned revenue not attributed to programs	-
8.	Net cost of operations (calc.)	12,500

STATEMENT OF CHANGES IN NET POSITION		
	Unexpended Appropriations:	
1.	Beginning Balance	-
3.	Beginning balance, as adjusted (calc.)	-
	Budgetary Financing Sources:	
4.	Appropriations received (310100E)	25,000
7.	Appropriations used (310700E)	(12,500)
8.	Total Budgetary Financing Sources (calc.)	12,500
9.	Total Unexpended Appropriations (calc.)	12,500
	Cumulative Results from Operations:	
	Budgetary Financing Sources:	
14.	Appropriations used (570000E)	12,500
23.	Total Financing Sources (calc.)	12,500
24.	Net Cost of Operations (+/-)	(12,500)
25.	Net Change (calc.)	-
26.	Cumulative Results of Operations (calc.)	-
27.	Net Position (calc.)	12,500

STATEMENT OF BUDGETARY RESOURCES		
	Budgetary resources:	
1290	Appropriations (discretionary and mandatory) (411900E)	25,000
1910	Total budgetary resources (calc.)	25,000
	Status of budgetary resources:	
2190	New obligations and upward adjustments (total) (Note 29) (490200E)	12,500
2204	Apportioned, unexpired account (461000E +470000E)	12,500
2412	Unexpired unobligated balance, end of year (calc.)	12,500
2490	Unobligated balance, end of year (total) (calc.)	12,500
2500	Total budgetary resources (calc.)	25,000
	Outlays, net:	
4190	Outlays, gross (discretionary and mandatory) (490200E)	12,500

SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE (SCHEDULE P)			
		SF 133	Schedule P
	BUDGETARY RESOURCES		
	Unobligated balance:		
0900	Total new obligations, unexpired accounts (+ or -) (490200B)	-	12,500
0911	Total new obligations, unexpired accounts; and lease payments	-	12,500
	Budget authority:		
	Appropriations:		
	Discretionary:		
1100	Appropriation (discretionary) (411900E)	25,000	25,000
1160	Appropriation, discretionary (total) (calc.)	25,000	25,000
1900	Budget authority (total) (discretionary and mandatory) (calc.)	25,000	25,000
1910	Total budgetary resources (calc.)	25,000	
1930	Total budgetary resources available (calc.)	-	25,000
1941	Unexpired unobligated balance, end of year	-	12,500
	STATUS OF BUDGETARY RESOURCES		
	New obligations and upward adjustments:		
	Direct:		
2001	Category A (by quarter) (490200E)	12,500	-
2004	Direct obligations (total) (calc.)	12,500	-
2190	New obligations and upward adjustments (total) (calc.)	12,500	-
	Unobligated balance:		
	Apportioned, unexpired accounts:		
2201	Available in the current period (461000 +470000E)	12,500	-
2412	Unexpired unobligated balance: end of year (calc.)	12,500	-
2490	Unobligated balance, end of year (total) (calc.)	12,500	-
2500	Total budgetary resources (calc.)	25,000	-

**U.S. Debit Card Program
Effective Fiscal 2019**

	CHANGE IN OBLIGATED BALANCE		
	Unpaid obligations:		
3010	New obligations, unexpired accounts (490200E)	12,500	12,500
3020	Outlays (gross) (-) (490200E)	(12,500)	(12,500)
3050	Unpaid obligations, end of year	-	-
	BUDGET AUTHORITY AND OUTLAYS, NET		
	Discretionary:		
	Gross budget authority and outlays:		
4000	Budget authority, gross (calc.)	25,000	25,000
	Outlays, gross:		
4010	Outlays from new discretionary authority (490200E)	12,500	12,500
4020	Outlays, gross (total) (calc.)	12,500	12,500
4070	Budget authority, net (discretionary)	25,000	25,000
4080	Outlays, net (discretionary) (calc.)	12,500	12,500
	Budget authority and outlays, net (total)		
4180	Budget authority, net (total) (calc.)	25,000	25,000
4190	Outlays, net (total) (calc.)	12,500	12,500

Reclassified Financial Statements

RECLASSIFIED BALANCE SHEET		
1	Assets	
2	Non-federal	
2.1	Cash and other monetary assets (112500N)	2,500
2.9	Total non-federal assets (calc.)	2,500
3	Federal	
3.1	Fund balance with Treasury (101000E)	10,000
3.14	Total federal assets	10,000
4	Total assets (calc.)	12,500
5	Liabilities	-
8	Total liabilities (calc.)	-
9	Net position:	
9.2	Net position – funds other than those from dedicated collections (310100E)	12,500
10	Total net position (calc.)	12,500
11	Total liabilities and net position (calc.)	12,500

RECLASSIFIED STATEMENT OF NET COST		
1	Gross cost	
2	Non-federal gross cost (610000N)	12,500
6	Total non-federal gross cost (calc.)	12,500
9	Department total gross cost (calc.)	12,500
14	Department total earned revenue	-
15	Net cost of operations (calc.)	12,500

RECLASSIFIED STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION		
7	Budgetary financing sources:	
7.1	Appropriations received as adjusted (rescissions and other adjustments) (310100E)	25,000
7.2	Appropriations used (310700E)	(12,500)
7.3	Appropriations expended (570000E)	12,500
7.20	Total budgetary financing sources (calc.)	25,000
9	Net cost of operations (+/-)	12,500
10	Net position, end of period	12,500