

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

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Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

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1.0	7/01/2015	Initial Version	XX-XX	FY2016

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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.

The purpose of consolidated statements are to show the result 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 buying agency. This scenario does not address reimbursable agreements where the performing agency provides a service creating a capitalized asset for the buying agency. The accounting for these agreements would not change. However, by having the USSGL Memo Accounts 880100-880400 crosswalked (as illustrated in this scenario) for agencies closing packages these current intragovernmental difference will be resolved in addition to transactions where agencies are selling inventory.

New USSGL Accounts (Approved August 2015)

Account Title: Expensed Asset

Account Number: 615000

Normal Balance: Debit

Transaction Codes: B402 and F336

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

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 for previously capitalized assets purchased from another Federal entity, they should use 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 Capitalized Asset			

Draft USSGL Proprietary and Budgetary Account Attribute Table

		TAS Attributes			
USSGL Account	USSGL Account Title	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

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, 7.3	N/A

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

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.

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

USSGL account Crosswalk Modifications

Account Title: Memorandum Accounts

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 7.5	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	Unexpanded Appropriations – Appropriations Received
310700	Unexpanded 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
Memorandum	
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

- Buying Agency 1: Asset meets capitalization threshold and is recorded as PPE.
- Buying Agency 2: Asset did not meet capitalization threshold, therefore expensed.
- Buying Agency 3: Asset is recorded as inventory.
- The buying agency is one agency with three different possible situations
- All TAS are current year annual and do not have a beginning trial balance

Illustrative Transactions

1. To record the agencies enactment of appropriations.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u>				<u>Budgetary Entry</u>			
411900 Other Appropriations	10,000			411900 Other Appropriations	5,000		
Realized				Realized			
445000 Unapportioned Authority		10,000		445000 Unapportioned Authority		5,000	
			A104				A104
<u>Proprietary Entry</u>				<u>Proprietary Entry</u>			
101000 Fund Balance With Treasury	10,000			101000 Fund Balance With Treasury	5,000		
310100 Unexpended				310100 Unexpended			
Appropriations – Appropriations		10,000		Appropriations – Appropriations		5,000	
Received				Received			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

2. To record budgetary authority apportioned by the Office of Management and Budget and available for allotment.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 445000 Unapportioned Authority 451000 Apportionments <u>Proprietary Entry</u> None	10,000	10,000	A116	<u>Budgetary Entry</u> 445000 Unapportioned Authority 451000 Apportionments <u>Proprietary Entry</u> None	5,000	5,000	A116
3. To record the allotment of authority.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 451000 Apportionments 461000 Allotments - Realized Resources <u>Proprietary Entry</u> None	10,000	10,000	A120	<u>Budgetary Entry</u> 451000 Apportionments 461000 Allotments - Realized Resources <u>Proprietary Entry</u> None	5,000	5,000	A120
4. To record anticipated reimbursement.							
Selling Agency	DR	CR	TC	Buying Agency 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			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

5. To record anticipated resources apportioned but not available for use until they are realized for anticipated resources in programs subject to apportionment.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 445000 Unapportioned Authority 459000 Apportionments – Anticipated Resources – Programs Subject to Apportionment <u>Proprietary Entry</u> None	5,000	5,000	A118	<u>Budgetary 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.							
Selling Agency	DR	CR	TC	Buying Agency 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> None <u>Proprietary Entry</u> None			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

7. To record the realization of previously anticipated and apportioned authority for programs subject to apportionment.							
Selling Agency	DR	CR	TC	Buying Agency 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 current-year undelivered orders without an advance.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None				<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

9. To record the inventory purchased for resale by the selling agency.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 461000 Allotments – Realized Resources	10,000			<u>Budgetary Entry</u> None			
490100 Delivered Orders – Obligations, Unpaid		10,000	B430				
<u>Proprietary Entry</u> 152100 Inventory Purchased for Resale	10,000			<u>Proprietary Entry</u> None			
211000 (N) Accounts Payable		10,000					

10. To record appropriations used this fiscal year.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> None			B134	<u>Budgetary Entry</u> None			
<u>Proprietary Entry</u> 310700 Unexpended Appropriations – Used	10,000			<u>Proprietary Entry</u> None			
570000 Expended Appropriations		10,000					

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

11. To record activity for current-year purchases of inventory and related property.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Memorandum Entry</u> 880300 Purchases of Inventory and Related Property 880100 Offset for Purchases of Assets	10,000	10,000	G122	<u>Memorandum Entry</u> None			

12. To record revenue earned in the performing agency for goods or services performed on a reimbursable order without an advance.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> 425100 Reimbursements and Other Income Earned - Receivable 422100 Unfilled Customer Orders Without Advance	5,000	5,000	A714	<u>Budgetary Entry</u> None			
<u>Proprietary Entry</u> 131000(F) Accounts Receivable 510000(F) Revenue from Goods Sold	5,000	5,000		<u>Proprietary Entry</u> None			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

13. To record cost of goods sold.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2, and 3	DR	CR	TC
<u>Budgetary Entry</u> None <u>Proprietary Entry</u> 650000(F) Cost of Goods Sold 152100 Inventory Purchased for Resale			E408	<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None			

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

15. To record appropriations used this fiscal year.							
Selling Agency	DR	CR	TC	Buying Agency 1	DR	CR	TC
<u>Budgetary Entry</u> None <u>Proprietary Entry</u> None				<u>Budgetary Entry</u> None <u>Proprietary Entry</u> 310700(G) Unexp Approp - Used 570000(G) Expended Appropriations	5,000	5,000	B134

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

16. To record activity for current-year purchase of property, plant and equipment.							
Selling Agency	DR	CR	TC	Buying Agency 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

17. To record depreciation, amortization, and depletion expense on assets other than investments.							
Selling Agency	DR	CR	TC	Buying Agency 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	

18. Buying Agency 2 does not meet the capitalization threshold and expenses undelivered order							
Selling Agency	DR	CR	TC	Buying Agency 2	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> 615000 Expensed Asset 211000(F) Accounts Payable	5,000	5,000	

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

19. To record appropriations used this fiscal year.							
Selling Agency	DR	CR	TC	Buying Agency 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	

20. To record activity for current-year purchases of other assets not recorded as Property, Plant and Equipment, or Inventory and Related Property.							
Selling Agency	DR	CR	TC	Buying Agency 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

21. Buying Agency 3 records asset as inventory.							
Selling Agency	DR	CR	TC	Buying Agency 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	

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

22. To record appropriations used this fiscal year.							
Selling Agency	DR	CR	TC	Buying Agency 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	

23. To record activity for current-year purchase of inventory and related property.							
Selling Agency	DR	CR	TC	Buying Agency 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

Account	Description	Selling Agency		Buying Agency 1		Buying Agency 2		Buying Agency 3	
		Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
Budgetary									
411900	Oth Appropriations Realized	10,000		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		5,000		-		-		-
480100	Undelivered Orders – Oblig, unpaid				-		-		-
490100	Delivered Orders – Oblig, unpaid		10,000		5,000		5,000		5,000
Total		15,000	15,000	5,000	5,000	5,000	5,000	5,000	5,000
Proprietary									
101000 (G)	FBWT	10,000		5,000		5,000		5,000	
131000 (F)	Accounts Receivable	5,000							
152100	Inventory – Purchased for resale	5,000							
152700	Inventory – Finished Goods							5,000	
175000	Equipment			5,000					
175900	Accumulated Deprec on Equip				1,000				
211000 (N)	Accounts Payable		10,000						
211000 (F)	Accounts Payable				5,000		5,000		5,000
310100 (G)	Unexp Approp – Received		10,000		5,000		5,000		5,000
310700 (G)	Unexp Approp – Used	10,000		5,000		5,000		5,000	
331000	Cumulative Results of Operations								
510000 (F)	Revenue from Goods Sold		5,000						
570000 (G)	Expended Appropriations		10,000		5,000		5,000		5,000
615000	Expensed Asset					5,000			
650000 (F)	COGS	5,000							
671000 (N)	Depreciation				1,000				
Total		35,000	35,000	16,000	16,000	15,000	15,000	15,000	15,000

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Account		Selling Agency		Buying Agency 1		Buying Agency 2		Buying Agency 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		10,000						
880200 (F)	Purchases of PPE			5,000					
880300 (F)	Purchases of Inventory							5,000	
880300 (N)	Purchases of Inventory	10,000							
880400 (F)	Purchases of Assets - Other					5,000			
Total		10,000	10,000	5,000	5,000	5,000	5,000	5,000	5,000

Closing Entries

Selling Agency (Entry consistent regardless of Buying Agency entry)

24. To record closing of revenue and expended appropriation to cumulative results of operations.									
Selling Agency		DR	CR	TC	Buying Agency 1, 2 and 3		DR	CR	TC
<u>Budgetary Entry</u>					<u>Budgetary Entry</u>				
None				F336	None				F336
<u>Proprietary Entry</u>					<u>Proprietary Entry</u>				
510000(F) Revenue from Goods Sold		5,000			570000 Expended Appropriations		5,000		
570000(G)Expended Appropriations		10,000			331000 Cumulative Results of Operations			5,000	
331000 Cumulative Results of Operations			15,000						

25. To record closing of expenses to cumulative results of operations.									
Selling Agency		DR	CR	TC	Buying Agency 1, 2 and 3		DR	CR	TC
<u>Budgetary Entry</u>					<u>Budgetary Entry</u>				
None				F336	None				F336
<u>Proprietary Entry</u>					<u>Proprietary Entry</u>				
331000 Cumulative Results of Operations		5,000			None				
650000(F) Cost of Goods Sold			5,000						

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

26. To record closing of expenses to cumulative results of operations.							
Selling Agency	DR	CR	TC	Buying Agency 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	

27. To record closing of expensed asset to cumulative results of operations.							
Selling Agency	DR	CR	TC	Buying Agency 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	

28. To record closing of memorandum accounts for property, plant and equipment.							
Selling Agency	DR	CR	TC	Buying Agency 1	DR	CR	TC
<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880100 Offset for Purchases of Assets 880200 Purchase of Property, Plant, and Equipment	5,000	5,000	F370

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

29. To record closing of memorandum accounts for current-year purchases of other assets.							
Selling Agency	DR	CR	TC	Buying Agency 2	DR	CR	TC
<u>Memorandum Entry</u> None				<u>Memorandum Entry</u> 880100 Offset for Purchases of Assets 880400 Purchases of Assets - Other	5,000	5,000	F370

30. To record closing of memorandum accounts for purchases of inventory.							
Selling Agency	DR	CR	TC	Buying Agency 3	DR	CR	TC
<u>Memorandum Entry</u> 880100 Offset for Purchases of Assets 880300 Purchase of Inventory and Related Property	10,000		F370	<u>Memorandum Entry</u> 880100 Offset for Purchases of Assets 880300 Purchase of Inventory and Related Property	5,000	5,000	F370

31. To record closing of fiscal-year activity to unexpended appropriations.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2 and 3	DR	CR	TC
<u>Budgetary Entry</u> None			F342	<u>Budgetary Entry</u> None			F342
<u>Proprietary Entry</u> 310100 Unexp. Appropriations – Received 310700 Unexp. Appropriation - Used	10,000	10,000		<u>Proprietary Entry</u> 310100 Unexp. Appropriations – Received 310700 Unexp. Appropriation - Used	5,000	5,000	

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

32. To record the consolidation of actual net-funded resources and reductions for withdrawn funds.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2 and 3	DR	CR	TC
<u>Budgetary Entry</u> 420100 Total Actual Resources – Collected 411900 Other Appropriations Realized	10,000	10,000	F302	<u>Budgetary Entry</u> 420100 Total Actual Resources – Collected 411900 Other Appropriations Realized	5,000	5,000	F302
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> None			

33. To record the closing of unobligated balances to expiring authority.							
Selling Agency	DR	CR	TC	Buying Agency 1, 2 and 3	DR	CR	TC
<u>Budgetary Entry</u> 465000 Allotments - Expired Authority 461000 Allotments - Realized Resources	10,000	10,000	F312	<u>Budgetary Entry</u> None			
<u>Proprietary Entry</u> None				<u>Proprietary Entry</u> None			

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Post-Closing Trial Balance of Each Scenario

Account	Description	Selling Agency		Buying Agency 1		Buying Agency 2		Buying Agency 3	
		Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit
<u>Budgetary</u>									
420100	Total Actual Resources - Collected	10,000		5,000		5,000		5,000	
425100	Reim and Other Inc Earned - Receiv	5,000							
465000	Allotments - Expired Authority		5,000						
490100	Delivered Orders – Oblig, unpaid		10,000		5,000		5,000		5,000
Total		15,000	15,000	5,000	5,000	5,000	5,000	5,000	5,000
<u>Proprietary</u>									
101000 (G)	FBWT	10,000		5,000		5,000		5,000	
131000 (F)	Accounts Receivable	5,000							
152100	Inventory – Purchased for resale	5,000							
152700	Inventory – Finished Goods							5,000	
175000	Equipment			5,000					
175900	Accumulated Deprec on Equip				1,000				
211000 (N)	Accounts Payable		10,000						
211000 (F)	Accounts Payable				5,000		5,000		5,000
331000	Cumulative Results of Operations		10,000		4,000				5,000
Total		20,000	20,000	10,000	10,000	5,000	5,000	10,000	10,000

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Financial Statements:

BALANCE SHEET					
		Selling Agency	Buying Agency 1	Buying Agency 2	Buying Agency 3
	Assets:				
	Intragovernmental				
1.	Fund Balance With Treasury (101000E)	10,000	5,000	5,000	5,000
3.	Accounts Receivable (131000E)	5,000			
6.	Total Intragovernmental (calc.)	15,000	5,000	5,000	5,000
	Assets With the Public:				
12.	Inventory & Related Property(152100E, 152700E)	5,000			5,000
13.	Equipment (175000E)		5,000		
14.	Accum Deprec. on Equip (175900E)		(1,000)		
15.	Total Assets (calc.)	<u>20,000</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)	10,000			
28.	Total Liabilities (calc.)	10,000	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)	10,000	4,000	-	5,000
35.	Total Net Position – All Other Funds (calc.)	10,000	4,000	-	5,000
36.	Total Net Position (calc.)	10,000	4,000	-	5,000
37.	Total Liabilities and Net Position (calc.)	<u>20,000</u>	<u>9,000</u>	<u>5,000</u>	<u>10,000</u>

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

STATEMENT OF NET COST					
		Selling Agency	Buying Agency 1	Buying Agency 2	Buying Agency 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					
		Selling Agency	Buying Agency 1	Buying Agency 2	Buying Agency 3
	Cumulative Results of Operations:				
	Budgetary Financing Sources:				
5.	Appropriations Used (570000E)	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
14.	Total Financing Sources (calc. 4..13)	10,000	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>10,000</u>	<u>4,000</u>	-	<u>5,000</u>
17.	Cumulative Results of Operations (calc. 3+16)	10,000	4,000	-	5,000
	Unexpended Appropriations:				
	Budgetary Financing Sources:				
21.	Appropriations Received (310100E)	10,000	5,000	5,000	5,000
24.	Unexpended Appropriations used (310700E)	<u>10,000</u>	<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)	<u>10,000</u>	<u>4,000</u>	<u>5,000</u>	<u>5,000</u>

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

STATEMENT OF BUDGETARY RESOURCES			
		Selling Agency	Buying Agency 1, 2, 3
	Budgetary Resources:		
1290	Appropriations (discretionary and mandatory) (411900E)	10,000	5,000
1890	Spending Authority from offsetting collections (425100E)	<u>5,000</u>	-
1910	Total Budgetary Resources	<u>15,000</u>	<u>5,000</u>
	Status of Budgetary Resources:		
2190	Obligations Incurred (490100E)	10,000	5,000
2204	Apportioned (461000E)	<u>5,000</u>	
2490	Total Unobligated Balance, end of year	<u>5,000</u>	
2500	Total Budgetary Resources	<u>15,000</u>	<u>5,000</u>
	Change in obligated balance		
	Unpaid Obligations:		
3012	Obligations Incurred (490100E)	10,000	5,000
3050	Unpaid Obligations, end of year (490100E)	10,000	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>

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

STATEMENT OF BUDGETARY RESOURCES			
		Selling Agency	Buying Agency 1, 2, 3
	Budget Authority and Outlays, Net:		
4175	Budget Authority, Gross (discretionary and mandatory)	<u>15,000</u>	<u>5,000</u>
4178	Change in Uncollected payments, Fed Sources (discretionary and mandatory) (425100E)	(5,000)	
4180	Budget Authority, net (total)	<u>10,000</u>	<u>5,000</u>

SF 133: Report on Budget Execution and Budgetary Resources & Budget Program and Financing Schedule (Schedule P)					
		Selling Agency		Buying Agency 1, 2, 3	
		SF 133	Schedule P	SF 133	Schedule P
	BUDGETARY RESOURCES				
	All accounts:				
0900	Total new obligations (490100)		<u>10,000</u>		<u>5,000</u>
	Budget authority:				
	Appropriations:				
	Discretionary:				
1100	Appropriations (411900E)	10,000	10,000	5,000	5,000
1160	Appropriation, discretionary (total)	10,000	10,000	5,000	5,000
	Spending authority from offsetting collections:				
	Discretionary:				
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)					
		Selling Agency		Buying Agency 1, 2, 3	
		SF 133	Schedule P	SF 133	Schedule P
1900	Budget authority (total)	15,000	15,000	5,000	5,000
1910	Total budgetary resources	<u>15,000</u>		<u>5,000</u>	
1930	Total budgetary resources available		<u>15,000</u>		<u>5,000</u>
Memorandum (non-add) entries:					
All accounts:					
1940	Unobligated balance expiring (-) (461000E)		(5,000)		
STATUS OF BUDGETARY RESOURCES					
Obligations incurred:					
Direct					
2001	Category A (490100E)	10,000		5,000	
2004	Direct obligations (total)	<u>10,000</u>		<u>5,000</u>	
2190	Obligations incurred	<u>10,000</u>		<u>5,000</u>	
Unobligated balance:					
Apportioned:					
2201	Available in current period (461000E)	5,000			
2490	Unobligated balance, end of year	5,000			
2500	Total budgetary resources	<u>15,000</u>		<u>5,000</u>	
Memorandum (non-add) entries:					
2501	Subject to apportionment (461000E, 490100E)	15,000		5,000	
2503	Direct unobligated balance, end of year (461000E)	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)					
		Selling Agency		Buying Agency 1, 2, 3	
		SF 133	Schedule P	SF 133	Schedule P
CHANGE IN OBLIGATED BALANCE					
Unpaid obligations:					
3010	Obligations incurred, unexpired accounts (490100E)	10,000	10,000	5,000	5,000
3050	Unpaid obligations, end of year (490100E)	10,000	10,000	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>15,000</u>	<u>15,000</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>10,000</u>	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>
4180	Budget authority, net (total)	<u>10,000</u>	<u>10,000</u>	<u>5,000</u>	<u>5,000</u>

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

Reclassified Financial Statements:

RECLASSIFIED BALANCE SHEET					
		Selling Agency	Buying Agency 1	Buying Agency 2	Buying Agency 3
1	Assets				
2	Non-Federal				
2.1	Cash and Other Monetary Assets (110100E)		5,000	5,000	5,000
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)	-	9,000	5,000	1,000
3	Federal				
3.3	Accounts Receivable (RC 22) /1 (131000E)	5,000			
4	Total Assets (calc. 2.10..3.13)	5,000	9,000	5,000	1,000
5	Liabilities:				
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
9	Net Position:				
9.2	Net Position– Funds Other Than Those From Dedicated Collections (310100E, 310700E, 510000E, 570000E, 615000E, 650000E,671000E, 880100E, 880200E)	5,000	4,000	-	5,000
10	Total Net Position (calc. 9.1+9.2)	5,000	4,000	-	5,000
11	Total Liabilities and Net Position (calc. 8+10)	5,000	9,000	5,000	10,000

Intragovernmental Capital Asset and Inventory Buy/Sell Transactions

RECLASSIFIED STATEMENT OF NET COST					
		Selling Agency	Buying Agency 1	Buying Agency 2	Buying Agency 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)		(5,000)	(5,000)	(5,000)
7.5	Purchase of Assets Offset (RC 24) (880100E)		5,000	5,000	5,000
8	Total Federal Gross Cost (calc. 7.1..7.9)	5,000	-	-	-
9	Department Total Gross Cost (calc. 6+8)	5,000	1,000	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			
13	Total Federal Earned Revenue (calc. 12.1..12.6)	5,000	-	-	-
14	Department Total Earned Revenue (calc. 11+13)	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					
		Selling Agency	Buying Agency 1	Buying Agency 2	Buying Agency 3
1	Beginning Net Position (331000B)	5,000			
4	Adjusted Beginning Net Position Balance (calc. for current year 1,2.1,2.2,3.1, and 3.2)	5,000			
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)
7.13	Other Budgetary Financing Sources (RC 29) /1,8 (570000E)		5,000	5,000	5,000
7.15	Total Budgetary Financing Sources (calc. 7.1..7.13)		5,000	5,000	5,000
9	Net Cost of Operations (+/-)		(1,000)	(5,000)	-
10	Ending Net Position Balance (calc. 4, 7.15, 9)	5,000	4,000	-	5,000

Intragovernmental Eliminations:

Agency	USSGL	RC	Financial Statement Line	Amount
Selling Agency	510000	24	SNC Line 12.2 (Buy/Sell Revenue)	(5,000)
Buying Agency 1, 2, 3	880200	24	SNC Line 7.4 (Purchase of Assets)	5,000
Selling Agency	650000	24	SNC Line 7.3 (Buy/Sell Cost)	5,000
Buying Agency 1, 2, 3	880100	24	SNC Line 7.5 (Purchase of Assets Offset)	(5,000)
Selling Agency	131000	22	BS Line 3.3 (Accounts Receivable)	5,000
Buying Agency 1, 2, 3	211000	22	BS Line 7.1 (Accounts Payable)	(5,000)