**Operating Materials and Supplies Held for Repair or in Development**

**EFFECTIVE FISCAL YEAR 2018**

**PREPARED BY:**

**GENERAL LEDGER AND ADVISORY BRANCH**

**FISCAL ACCOUNTING**

**BUREAU OF THE FISCAL SERVICE**

**U.S. DEPARTMENT OF THE TREASURY**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Version Number** | **Date**  | **Description of Change** | **Effective****USSGL TFM** | **Effective Date** |
| 1.0 | 2002 | Original Version |  |  |
| 2.0 | 05/2017 | Updated case study (account numbers and titles, Transaction Codes, crosswalks) in accordance with T/L S2-17-06, revised the Introduction, added USSGL account 151600, and added Scenario 2. | 17-06 | FY2018 |
| 3.0 | 12/2017 | Revised wording for transactions and updated SF-133 | 18-04 | FY2018 |

**Introduction**

The Department of Defense purchases reparable components, subsystems and assemblies, consumable repair parts, bulk items and material, subsistence, and expendable end items, including clothing and other personal gear to hold in stock. The Department of Defense also purchases munitions ranging from tactical missiles and bombs to small caliber ammunition. If items are purchased with working capital funds and held in stock for sale to end users, then the stock is reported as inventory on the financial statements of the pertinent working capital fund entity. If items are purchased with procurement funds and held for issue without reimbursement to end users, then the stock is reported as operating materials and supplies (OM&S) on the financial statements of the pertinent general fund entity.

The material in stock is held for sale or issue, held for future sale or future issue, held for repair, or held as excess, obsolete or condemned pending transfer to disposal.

Inventory Account Account Title OM&S Account Account Title

152100 Inventory Purchased for Resale 151100 Operating Materials and Supplies Held for Use

152200 Inventory Held in Reserve for Future Sale 151200 Operating Materials and Supplies Held in

 Reserve for Future Use

152300 Inventory Held for Repair 151400 Operating Materials and Supplies Held for

 Repair

152400 Inventory – Excess, Obsolete, and 151300 Operating Materials and Supplies - Excess,

 Unserviceable Obsolete, and Unserviceable

152900 Inventory – Allowance 151900 Operating Materials and Supplies

 Allowance

 151600 Operating Materials and Supplies in

 Development

The Department of Defense has OM&S items that are held for repair. For instance, if the tail fin of a bomb is bent, the bomb is not thrown away. Replacing the damaged tail fin repairs the bomb. Similarly, spare parts for certain aircraft (e.g., the C-17) are stocked in the general fund and issued to replace broken parts. The broken parts are then repaired and returned to stock as serviceable assets.

In addition, the Department of Defense enters into contracts with suppliers to build munitions that can take several years to develop and complete. During this time, the Department of Defense makes progress payments to their suppliers. Title to the portion completed in the progress billings passes to the Department of Defense at the time of payment. Therefore, these payments would be recorded in the new USSGL account 151600, “Operating Materials and Supplies in Development” until completion of the contract and all progress payments have been made.

Sample transactions and further details follow.

Note that the illustrative transactions above use the allowance account. Statement of Federal Financial Accounting Standard # 3, Accounting for Inventory and Related Property, permits the use of either the direct method or the allowance method with inventory held for repair. The Department of Defense has opted for the allowance method. To be consistent, the allowance method also will be used for OM&S.

***New USSGL Account (Approved June 2017)***

**Account Title:** Operating Materials and Supplies in Development

**Account Number:** 151600

**Normal Balance:** Debit

**Definition:** The cost incurred or value of tangible personal property, such as operating materials and supplies in development that will be consumed in normal operations upon completion of development. Upon completion, these costs will be transferred to USSGL account 151100, “Operating Materials and Supplies Held for Use,” or USSGL account 151200 “Operating Materials and Supplies Held in Reserve for Future Use.” Only the Department of Defense may use this account. This account does not close at yearend.

**Justification:** Department of Defense procures various items as part of their Operating Material and Supplies that often require development by contractors/vendors. Such items result in progress payments made over a number of years while the items are developed. However, title is passed to DOD upon payment and not necessarily on delivery of the good. This USSGL account will provide a standard means for DOD to record this asset.

**Attribute Table**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **USSGL Account Title** | **Anticipated** | **Budg/ Prop** | **Norm Bal** | **Begin****/End** | **Debit/ Credit** | **Auth Type Code** | **Apport Cat** | **Apport Cat B** |
| 151600 | Operating Materials and Supplies in Development | N | P | D | B/E | D/C |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Avail Time** | **BEA Cat** | **Borrow Source** | **Budgetary Impact Indicator** | **Cohort Yr** | **Cust/ Noncust** | **Exch/ Nonexch** | **Fed/ Non Fed** | **Trading Ptnr** | **Trading Ptnr Main** | **PY****Adj** | **Program Indicator** |
|  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program Rpt Cat** | **Reimb Flag** | **Year of BA** | **Reduction Type** | **Fund Type** | **Reporting Type Code** | **Financing Account Code** | **TAS****Status** | **Trans. Code** |
|  |  |  |  | EG/ER/ET | E/F/U | D/G/N | U/E | X/K/N |

 **Impact on Crosswalks (FY 2018)**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **USSGL****Account** |  **Balance**  **Sheet** |  **Net**  **Cost** |  **Net**  **Position** | **Custodial**  **Activity** | **Reclassified** **Balance** **Sheet** | **Reclassified**  **Net**  **Cost** | **Reclassified****Net** **Position** | **SF133** | **Schedule P** | **SBR** |
| 151600 | Line 12 | N/A |  N/A |  N/A |  Line 2.4 |  N/A |  N/A |  N/A |  N/A |  N/A |

**Listing of USSGL Accounts Used in This Scenario**

|  |  |
| --- | --- |
| **Account Number** | **Account Title** |
| **Budgetary** |  |
| 411900 | Other Appropriations Realized |
| 420100 | Total Actual Resources - Collected |
| 445000 | Unapportioned Authority |
| 451000 | Apportionments |
| 461000 | Allotments - Realized Resources |
| 470000 | Commitments- Programs Subject to Apportionment |
| 480100 | Undelivered Orders - Obligations, Unpaid |
| 490100 | Delivered Orders - Obligations, Unpaid |
| 490200 | Delivered Orders - Obligations, Paid |
| **Proprietary** |  |
| 101000 | Fund Balance With Treasury |
| 151100 | Operating Materials and Supplies Held for Use |
| 151400 | Operating Materials and Supplies Held for Repair |
| 151600 | Operating Materials and Supplies in Development |
| 151900 | Operating Materials and Supplies - Allowance |
| 211000 | Accounts Payable |
| 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 |
| 679000 | Other Expenses Not Requiring Budgetary Resources |

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

**Scenario 1: Operating Materials and Supplies Held for Repair**

**Year 1**

|  |
| --- |
| **Beginning Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| None |  |  |
| **Total** | - | - |
|  |  |  |
| **Proprietary** |  |  |
| 151100 Operating Materials and Supplies Held For Use | 4,000 |  |
| 331000 Cumulative Results of Operations |  | 4,000 |
| **Total** | **4,000** | **4,000** |

**Illustrative Transactions**

Transactions for an exchange of a serviceable spare part for a reparable one so a broken end item can be fixed.

* 1. To record the issue of the serviceable item

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| None**Proprietary Entry**679000 Other Expenses Not Requiring Budgetary Resources 151100 Operating Materials and Supplies Held for Use | 1,000 | 1,000 |   E406 |

1-2 To record the turn-in of the broken part and to revalue the part based on the estimated repair costs.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| None**Proprietary Entry**151400 Operating Materials and Supplies Held for Repair 679000 Other Expenses Not Requiring Budgetary Resources679000 Other Expenses Not Requiring Budgetary Resources 151900 Operating Materials and Supplies-Allowance | 1,000400 | 1,000400 |    D526  D528 |

|  |
| --- |
| **Pre-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| None |  |  |
| **Total** | **-** | **-** |
|  |  |  |
| **Proprietary** |  |  |
| 151100 Operating Materials and Supplies Held For Use | 3,000 |  |
| 151400 Operating Materials and Supplies Held for Repair | 1,000 |  |
| 151900 Operating Materials and Supplies – Allowance |  | 400 |
| 331000 Cumulative Results of Operations |  | 4,000 |
| 679000 Other Expenses Not Requiring Budgetary Resources | 400 |  |
| **Total** | **4,400** | **4,400** |

**Closing Entries**

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| None**Proprietary Entry**331000 Cumulative Results of Operations 679000 Expenses Not Requiring Budgetary Resources | 400 | 400 |   F336 |

|  |
| --- |
| **Post-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| None |  |  |
| **Total** | **-** | **-** |
|  |  |  |
| **Proprietary** |  |  |
| 151100 Operating Materials and Supplies Held For Use | 3,000 |  |
| 151400 Operating Materials and Supplies Held for Repair | 1,000 |  |
| 151900 Operating Materials and Supplies – Allowance |  | 400 |
| 331000 Cumulative Results of Operations |  | 3,600 |
| **Total** | **4,000** | **4,000** |

|  |
| --- |
| **BALANCE SHEET**  |
|  | **Assets:** |  |
| 12. | Inventory and related property, net (151100E, 151400E, 151900E) | 3,600 |
| 15.   | Total assets (calc.) | **3,600** |
|  |  |  |
|  | **Net Position:** |  |
| 33. | Cumulative results of operations - All Other Funds (3310000B, 679000E) | 3,600 |
| 35. | Total Net Position – All Other Funds (calc.) | **3,600** |
| 36. | Total Net Position (calc.) | **3,600** |
| 37. | Total liabilities and net position (calc.) | **3,600** |

| **STATEMENT OF NET COST** |
| --- |
|  | Gross Program Costs: |  |
|  | Program A: |  |
| 1. | Gross costs (679000E) | 400  |
| 3.   | Net program costs: (calc. 1-2) | **400** |
| 8. | Net cost of operations (calc. 5+6-3) |  **400** |

|  |
| --- |
| **STATEMENT OF CHANGES IN NET POSITION**  |
|  | **Cumulative Results from Operations:** |  |
| 1. | Beginning Balances (331000B) | 4,000 |
| 3. | Beginning balances, as adjusted (calc. 1 through 2B) |  **4,000** |
|  | **Budgetary Financing Sources:** |  |
| 14. | Total Financing Sources (calc. 4 through 13) | - |
| 15. | Net Cost of Operations (+/-)  | **400**  |
| 16. | Net Change (calc. 14-15) | **(400)** |
| 17.   | **Cumulative Results of Operations (calc. 3+16)** | **3,600** |
|  | **Unexpended Appropriations:** |  |
|  | **Budgetary Financing Sources:** |  |
| 25. | Total Budgetary Financing Sources ( calc. 21 through 24) | - |
| 26. | Total Unexpended Appropriations ( calc. 20 + 25) | - |
| 27. | **Net Position (calc. 17 + 26)** | **3,600** |

**Reclassified Statements**

| **RECLASSIFIED BALANCE SHEET**  |
| --- |
| **1** | **Assets** |  |
| **2** | **Non-federal** |  |
| 2.4 | Inventories and related properties, net (151100E, 151400E, 151900E) | 3,600 |
| **2.9** | **Total non-federal assets (calc. 2.1..2.8)** | **3,600** |
| **3** | **Federal**  |  |
| **3.14** | **Total federal assets (calc. 3.1..3.13)** |  - |
| **4** | **Total assets (calc. 2.9+3.14)** | **3,600** |
| **5** | **Liabilities:** |  |
| **6** | **Non-federal** |  |
| **6.10** | **Total non-federal liabilities (calc. 6.1..6.9)** | - |
| **8** | **Total liabilities ( calc. 6.10+7.14)** | - |
| **9** | **Net position:** |  |
| 9.2 | Net position– funds other than those from dedicated collections ( 331000E, 679000E) | 3,600 |
| **10** | **Total net position (calc. 9.1+9.2)** | **3,600** |
| **11** | **Total liabilities and net position (calc. 8+10)** | **3,600** |

|  |
| --- |
| **RECLASSIFIED STATEMENT OF NET COST** |
| **1** | **Gross costs** | - |
| 2 | Non-federal gross costs (679000E) | **400** |
| **6** | **Total non-federal gross cost (calc. 2..5)** | **400** |
| **8** | **Total federal gross cost (calc. 7.1..7.8)** | - |
| **9** | **Department total gross cost (calc. 6+8)** | **400** |
| **10**  | **Earned revenue** |  |
| **11** | **Non-federal earned revenue** | - |
| **12** | **Federal earned revenue** |  |
| **13** | **Total federal earned revenue (calc. 12.1..12.7)** | - |
| **RECLASSIFIED STATEMENT OF NET COST** |
| **14** | **Department total earned revenue (calc. 11+13)** | - |
| **15** | **Net Cost of Operations (calc. 14-9)** | **400** |

| **RECLASSIFIED STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION**  |
| --- |
| 1 | Net position, beginning of period (331000E) | 4,000 |
| **4** | **Net position, beginning of period – adjusted (calc. 1..2.1..2.2..3.1..and 3.2)** | **4,000** |
| **5** | **Non-federal non-exchange revenue:** |  |
| **5.9** | **Total non-federal non-exchange revenue (calc. 5.1..5.8)** | - |
| **6** | **Federal non-exchange revenue:** | - |
| **6.5** | **Total federal non-exchange revenue (calc. 6.1..6.4)** | - |
| **7** | **Budgetary financing sources:** |  |
| **7.20** | **Total budgetary financing sources (calc. 7.1..7.19)** | - |
| **8** | **Other financing sources:** |  |
| **8.11** | **Total other financing sources (calc. 8.1..8.10)** | - |
| **9** | **Net cost of operations (+/-)** | - |
| **10** | **Net position, end of period (calc. 4, 5.9, 6.5, 7.20, 8.11, and 9)** | **4,000** |

**Year 2**

Transactions to record the repair of the broken item and its return to stock as a serviceable asset.

2-1 To record the record enactment of appropriation, apportionment of authority by OMB, and the allotment of authority.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 411900 Other Appropriations Realized 445000 Unapportioned Authority445000 Unapportioned Authority 451000 Apportionments451000 Apportionments 461000 Allotments- Realized Resources**Proprietary Entry**101000 Fund Balance With Treasury 310100 Unexpended Appropriations – Appropriations Received | 500 500  500 500 |  500 500  500 500 |  A104  A116 A120  A104 |

2-2 To record the obligation for repair contract

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 461000 Allotments – Realized Resources 480100 Undelivered Orders – Obligations, Unpaid**Proprietary Entry**None | 400 |  400 |  B306 |

2-3 To record the repair of the broken part

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 480100 Undelivered Orders – Obligations, Unpaid 490100 Delivered Orders – Obligations, Unpaid**Proprietary Entry**610000 Operating Expenses/Program Costs 211000 Accounts Payable310700 Unexpended Appropriations-Used 570000 Expended Appropriations | 400400400 |  400  400 400 |  D134  B134 |

2-4 To record the item’s return to stock as a serviceable item

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| None**Proprietary Entry**151100 Operating Materials and Supplies Held for Use 151400 Operating Materials and Supplies Held for Repair151900 Operating Materials and Supplies – Allowance 679000 Other Expenses Not Requiring Budgetary Resources | 1,000400 |    1,000 400  |   D530 D528R |

|  |
| --- |
|  **Pre-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| 411900 Other Appropriations Realized | 500 |  |
| 461000 Allotments – Realized Resources |  | 100 |
| 490100 Delivered Orders – Obligations, Unpaid |  | 400 |
| **Total** | **500** | **500** |
|  |  |  |
| **Proprietary** |  |  |
| 101000 Fund Balance With Treasury | 500 |  |
| 151100 Operating Materials and Supplies Held For Use | 4,000 |  |
| 211000 Accounts Payable |  | 400 |
| 310100 Unexpended Appropriations – Appropriations Received |  |  500 |
| 310700 Unexpended Appropriations-Used | 400 |  |
| 331000 Cumulative Results of Operations |  | 3,600 |
| 570000 Expended Appropriations |  | 400 |
| 610000 Operating Expenses/Program Costs | 400 |  |
| 679000 Other Expenses Not Requiring Budgetary Resources |  | 400 |
| **Total** | **5,300** |  **5,300** |

**Closing Entries**

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 4201000 Total Actual Resources – Collected 411900 Other Appropriations Realized461000 Allotments – Realized Resources 445000 Unapportioned Authority**Proprietary Entry**570000 Expended Appropriations679000 Other Expenses Not Requiring Budgetary Resources 331000 Cumulative Results of Operations 610000 Operating Expenses/Program Costs310100 Unexpended Appropriations – Appropriations Received 310000 Unexpended Appropriations – Cumulative 310700 Unexpended Appropriations-Used | 500 100  400400 500  |  500100  400400100400 |  F302   F308   F336   F342 |

|  |
| --- |
| **Post-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| 420100 Total Actual Resources - Collected |  500 |  |
| 445000 Unapportioned Authority |  | 100 |
| 490100 Delivered Orders – Obligations, Unpaid |  | 400 |
| **Total** | **500** | **500** |
|  |  |  |
| **Proprietary** |  |  |
| 101000 Fund Balance With Treasury | 500 |  |
| 151100 Operating Materials and Supplies Held For Use | 4,000 |  |
| 211000 Accounts Payable |  | 400 |
| 310000 Expended Appropriations - Cumulative |  | 100 |
| 331000 Cumulative Results of Operations |  | 4,000 |
| **Total** | **4,500** | **4,500** |

|  |
| --- |
| **BALANCE SHEET**  |
|  | **Assets:** |  |
| 1. | Fund Balance With Treasury (101000E) | 500 |
| 12. | Inventory and related property, net (151100E) | 4,000 |
| 15.   | Total assets (calc.) | **4,500** |
|  |  |  |
|  | **Liabilities:** |  |
| 17. | Accounts Payable (211000E) | 400 |
| 28. | Total Liabilities (calc.) | **400** |
|  |  |  |
|  | **Net Position:** |  |
| 31. | Unexpended appropriations – All Other Funds(310100E, 310700E) | 100 |
| 33. | Cumulative results of operations - All Other Funds (331000E) | 4,000 |
| 35. | Total Net Position – All Other Funds (calc.) | **4,100** |
| 36. | Total Net Position (calc.) | **4,100** |
| 37. | Total liabilities and net position (calc.) | **4,500** |

| **STATEMENT OF NET COST** |
| --- |
|  | Gross Program Costs: |  |
|  | Program A: |  |
| 1. | Gross costs (610000E, 679000E) | **-**  |
| 3.   | Net program costs: (calc.) | **-** |
| 8. | Net cost of operations (calc.) |  **-** |

|  |
| --- |
| **STATEMENT OF CHANGES IN NET POSITION**  |
|  | **Cumulative Results from Operations:** |  |
| 1. | Beginning Balances (331000E) | 3,600 |
| 3. | Beginning balances, as adjusted (calc. 1 + 2B) | **3,600** |
|  | **Budgetary Financing Sources:** |  |
| 5. | Appropriations used (570000E) | 400 |
| 14. | Total Financing Sources ( calc. 4 through 13) | **400** |
| 15. | Net Cost of Operations (+/-)  | **-**  |
| 16. | Net Change (calc. 14-15) | **400** |
| 17.   | Cumulative Results of Operations (calc. 3+16) |  **4,000** |
|  | **Unexpended Appropriations:** |  |
| 18. | Beginning Balance  | - |
|  | Budgetary Financing Sources: |  |
| 19. | Adjustments (+ or -) |  |
| 20. | Beginning balance, as adjusted (calc. 18 through 19B) | - |
| 21. | Appropriations received (310100E) | 500 |
| 24. | Appropriations used (310700E) |  (400) |
| 25. | Total Budgetary Financing Sources ( calc. 21 through 24) | **100** |
| 26. | Total Unexpended Appropriations ( calc. 20 + 25) | **100** |
| 27. | Net Position (calc. 17 + 26) | **4,100** |

|  |
| --- |
| **STATEMENT OF BUDGETARY RESOURCES** |
|  | **Budgetary resources:** |  |
| 1290 | Appropriations (discretionary and mandatory) (411900E) |  500 |
| 1910 | Total budgetary resources (calc.) |  **500** |
|  |  |  |
|  | **Status of Budgetary Resources:** |  |
| 2190 | New obligations and upward adjustments (total) (490100E) | 400 |
| 2204 | Apportioned, unexpired accounts (461000E) | 100 |
| 2490 | Unobligated balance, end of year (total) (calc. 2204 + 2304 +2404 + 2413 and 2412 + 2413) | **100** |
| 2500 | Total budgetary resources (calc. 2190 and 2490) | **500**  |
|  |  |  |
|  | **Change in obligated balance:** |  |
|  | **Unpaid obligations:** |  |
| 3012 | New obligations and upward adjustments (490100E) |  400 |
| 3050 | Unpaid obligations, end of year (490100E) | 400 |
| 3200 | Obligated balance, end of year | 400 |
|  |  |  |
|  | **Budget Authority and Outlays, Net:** |  |
| 4175 | Budget authority, gross (discretionary and mandatory) (calc.) | **500** |
| 4180 | Budget authority, net (total) (discretionary and mandatory) (calc.) | **500** |
|  |  |  |

|  |
| --- |
| **SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE** **(SCHEDULE P)** |
|  | **Budgetary Resources** | SF 133  | Schedule P |
|  | **All accounts:** |   |  |
| 0900 | Total new obligations, unexpired accounts (490100E) |   | **400** |
|  |  |  |  |
|  | **Budget Authority:** |  |  |
|  | **Appropriations:** |  |  |
|  | **Discretionary:** |  |  |
| 1100 | Appropriation (411900E) | 500 | 500 |
| 1160 | Appropriation, discretionary (total) | **500** | **500** |
| 1900 | Budgetary authority (total) |  **500** | **500** |
| 1910 | Total budgetary resources (calc.) |  **500** |  |
| 1930 | Total budgetary resources available |  | **500** |
|  |  |  |  |
|  | **Memorandum (non-add) entries:**  |  |  |
|  | **All accounts:** |  |  |
| 1941 | Unexpired unobligated balance, end of year (461000E) |  | 100 |
|  |  |  |  |
|  | **STATUS OF BUDGETARY RESOURCES** |  |  |
|  | **New obligations and upward adjustments:** |  |  |
|  | **Direct:** |  |  |
| 2001 | Category A (by quarter) (490100E) | 400 |  |
| 2004 | Direct obligations (total) | **400** |  |
| 2190 | New obligations and upward adjustments (total) | **400** |  |
|  |  |  |  |
| **SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE****(SCHEDULE P)** |
|  | **Unobligated balance:** |  |  |
|  | **Apportioned , unexpired accounts:** |  |  |
| 2201 | Available in the current period (461000E) | 100 |  |
| 2412 | Unexpired unobligated balance: end of year (calc.) | 100 |  |
| 2500 | Total budgetary resources (calc.) | **500** |  |
|  |  |  |  |
|  | **CHANGE IN OBLIGATED BALANCE** |  |  |
|  | **Unpaid obligations:** |  |  |
| 3010 | New obligations, unexpired accounts (490100E) | 400 | 400 |
| 3200 | Obligated balance, end of year (+ or -)  | 400 | 400 |
|  |  |  |  |
|  | **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |
|  | **Discretionary:** |  |  |
|  | **Gross budget authority and outlays:** |  |  |
| 4000 | Budget authority, gross (calc.) | **500** | **500** |

**Reclassified Statements**

| **RECLASSIFIED BALANCE SHEET**  |
| --- |
| **1** | **Assets** |  |
| **2** | **Non-federal** |  |
| 2.4 | Inventories and related properties, net (151100E) | 4,000 |
| **2.9** | **Total non-federal assets (calc. 2.1..2.8)** | **4,000** |
| **3** | **Federal**  |  |
| 3.1 | Fund balance with Treasury (RC/40)/1 (101000E) |  500 |
| **3.14** | **Total federal assets (calc. 3.1..3.13)** |  **500** |
| **4** | **Total assets (calc. 2.9+3.14)** | **4,500** |
| **5** | **Liabilities:** |  |
| **6** | **Non-federal** |  |
| 6.1 | Accounts payable (211000E) | 400 |
| **6.10** | **Total non-federal liabilities (calc. 6.1..6.9)** | **400** |
| **8** | **Total liabilities ( calc. 6.10+7.14)** | **400** |
| **9** | **Net position:** |  |
| 9.2 | Net position– funds other than those from dedicated collections ( 310100E, 310700E, 331000E, 570000E, 610000E, 679000E) | 4,100 |
| **10** | **Total net position (calc. 9.1+9.2)** | **4,100** |
| **11** | **Total liabilities and net position (calc. 8+10)** | **4,500** |

|  |
| --- |
| **RECLASSIFIED STATEMENT OF NET COST** |
| **1** | **Gross costs** | - |
| 2 | Non-federal gross costs (610000E, 679000E) | 800 |
| **6** | **Total non-federal gross cost (calc. 2..5)** | **800** |
| **8** | **Total federal gross cost (calc. 7.1..7.8)** | - |
| **9** | **Department total gross cost (calc. 6+8)** | **800** |
| **10**  | **Earned revenue** |  |
| **11** | **Non-federal earned revenue** | - |
| **12** | **Federal earned revenue** |  |
| **13** | **Total federal earned revenue (calc. 12.1..12.7)** | - |
| **14** | **Department total earned revenue (calc. 11+13)** | - |
| **15** | **Net cost of operations (calc. 14-9)** | **800** |

| **RECLASSIFIED STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION**  |
| --- |
| 1 | Net position, beginning of period (331000E) | 3,600 |
| **4** | **Net position, beginning of period – adjusted (calc. 1..2.1..2.2..3.1..and 3.2)** | **3,600** |
| **5** | **Non-federal non-exchange revenue:** |  |
| **5.9** | **Total non-federal non-exchange revenue (calc. 5.1..5.8)** | - |
| **6** | **Federal non-exchange revenue:** | - |
| **6.5** | **Total federal non-exchange revenue (calc. 6.1..6.4)** | - |
| **7** | **Budgetary financing sources:** |  |
| 7.1 | Appropriations received as adjusted (rescissions and other adjustments) (RC 41)/1 (310100E) |  500 |
| 7.2 | Appropriations used (RC 39)/1 (310700E) | 400 |
| 7.3 | Appropriations expended (RC 38)/1 (570000E) | 400 |
| **7.20** | **Total budgetary financing sources (calc. 7.1..7.19)** | **500** |
| **8** | **Other financing sources:** |  |
| **8.11** | **Total other financing sources (calc. 8.1..8.10)** | - |
| **9** | **Net cost of operations (+/-)** | - |
| **10** | **Net position, end of period (calc. 4, 5.9, 6.5, 7.20, 8.11, and 9)** | **4,100** |

**Scenario 2: Operating Materials and Supplies in Development**

**Year 1**

1-1 To record the enactment of appropriation, apportionment of authority by OMB, and the allotment of authority.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 411900 Other Appropriations Realized 445000 Unapportioned Authority445000 Unapportioned Authority 451000 Apportionment451000 Apportionment 461000 Allotments – Realized Resources**Proprietary Entry**101000 (G) Fund Balance With Treasury 310100 (G) Unexpended Appropriations – Appropriations Received | 12,00012,000 12,000 12,000 |  12,000   12,000 12,000 12,000 |   A104  A116 A120     |

* 1. Department of Defense commits resources to build and deliver munitions.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 461000 Allotments-Realized Resources 470000 Commitments- Programs Subject to Apportionment**Proprietary Entry**None |  12,000 | 12,000 |  B302   |

1-3 Department of Defense enters into contract with supplier and records current-year undelivered orders without an advance.

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| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 470000 Commitments- Programs Subject to Apportionment 480100 Undelivered Orders - Obligations, Unpaid**Proprietary Entry**None |  12,000 | 12,000 |  B306  |

1-4 Department of Defense receives progress billing from supplier.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 480100 Undelivered Orders- Obligations, Unpaid 490100 Delivered Orders- Obligations, Unpaid**Proprietary Entry**151600 Operating Materials and Supplies in Development 211000 (N) Accounts Payable310700 (G) Unexpended Appropriations – Used 570000 (G) Expended Appropriations | 4,0004,000 4,000 |  4,0004,000 4,000 |   B402    B134 |

1-5 Department of Defense makes progress payment to supplier for work performed through progress billing.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 490100 Delivered Orders - Obligations, Unpaid 490200 Delivered Orders - Obligations, Paid**Proprietary Entry**211000 (N) Accounts Payable 101000 (G) Fund Balance With Treasury | 4,0004,000 |  4,0004,000 |    B110   |

|  |
| --- |
| **Pre-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| 411900 Other Appropriations Realized |  12,000 |  |
| 480100 Undelivered Orders- Obligations, Unpaid |  | 8,000 |
| 490200 Delivered Orders - Obligations, Paid |  | 4,000 |
| **Total** | **12,000** | **12,000** |
|  |  |  |
| **Proprietary** |  |  |
| 101000 (G) Fund Balance With Treasury | 8,000 |  |
| 151600 Operating Materials and Supplies in Development | 4,000 |  |
| 310100 (G) Unexpended Appropriations – Appropriations Received |  | 12,000 |
| 310700 (G) Unexpended Appropriations – Used | 4,000 |  |
| 570000 (G) Expended Appropriations |  | 4,000 |
| **Total** | **16,000** | **16,000** |

**Closing Entries**

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 4201000 Total Actual Resources – Collected 411900 Other Appropriations Realized490200 Delivered Orders - Obligations, Paid 420100 Total Actual Resources - Collected**Proprietary Entry**310100 (G)Unexpended Appropriations – Appropriations Received 310000 Unexpended Appropriations – Cumulative310000 Unexpended Appropriations – Cumulative 310700 (G) Unexpended Appropriations – Used570000 (G) Expended Appropriations  331000 Cumulative Results of Operations | 12,0004,00012,0004,0004,000 |  12,0004,00012,0004,0004,000 | F302   F314 F342F342F336 |

|  |
| --- |
| **Post-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| 420100 Total Actual Resources – Collected | 8,000 |  |
| 480100 Undelivered Orders- Obligations, Unpaid |   | 8,000  |
| **Total** | **8,000** | **8,000** |
|  |  |  |
| **Proprietary** |  |  |
| 101000 (G) Fund Balance With Treasury | 8,000 |  |
| 151600 Operating Materials and Supplies in Development | 4,000 |  |
| 310000 Unexpended Appropriations – Cumulative |  | 8,000 |
| 331000 Cumulative Results of Operations |  | 4,000 |
| **Total** | **12,000** | **12,000** |

|  |
| --- |
| **BALANCE SHEET**  |
|  | **Assets:** |  |
| 1. | Fund Balance With Treasury (101000E) | 8,000 |
| 12. | Inventory and related property, net (151600E) | 4,000 |
| 15.   | Total assets (calc.) | **12,000** |
|  |  |  |
|  | **Liabilities:** |  |
| 17. | Accounts Payable (211000E) | **-** |
| 28. | Total Liabilities (calc.) | **-** |
| **BALANCE SHEET** |
|  |  |  |
|  | **Net Position:** |  |
| 31. | Unexpended appropriations – All Other Funds(310100E, 310700E) | 8,000 |
| 33. | Cumulative results of operations - All Other Funds (570000E) | 4,000 |
| 35. | Total Net Position – All Other Funds (calc.) | **12,000** |
| 36. | Total Net Position (calc.) | **12,000** |
| 37. | Total liabilities and net position (calc.) | **12,000** |

|  |
| --- |
| **STATEMENT OF CHANGES IN NET POSITION**  |
|  | **Cumulative Results from Operations:** |  |
| 1. | Beginning Balances  | - |
| 5. | Appropriations used (570000E) | 4,000 |
| 14. | Total Financing Sources (calc.) | **4,000** |
| 15. | Net Cost of Operations | - |
| 16. | Net Change (calc.) | **4,000** |
| 17. | Cumulative Results of Operations (calc. 3 + 16) | **4,000** |
|  | **Unexpended Appropriations:** |  |
| 18. | Beginning Balance  | - |
| 20.  | Beginning balance, as adjusted (calc. 18 through 19B) | - |
|  | **Budgetary Financing Sources:** |  |
| 21. | Appropriation received (310100E) | 12,000 |
| 24. | Appropriations used (310700E) | (4,000) |
| 25. | Total Budgetary Financing Sources ( calc. 21 through 24) | **8,000** |
| **STATEMENT OF CHANGES IN NET POSITION** |
| 26. | Total Unexpended Appropriations ( calc. 20 + 25) | **8,000** |
| 27. | Net Position (calc. 17 + 26) | **12,000** |

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| --- |
| **STATEMENT OF BUDGETARY RESOURCES** |
|  | **Budgetary resources:** |  |
| 1290 | Appropriations (discretionary and mandatory) (411900E) | 12,000 |
| 1910 | Total budgetary resources | **12,000** |
|  |  |  |
|  | **Status of budgetary resources:** |  |
| 2190 | New obligations and upward adjustments (total) (480100E, 490200E) | **12,000** |
| 2490 | Unobligated balances, end of year (total) | - |
| 2500 | Total budgetary resources | **12,000** |
|  |  |  |
|  | **Change in obligated balance:** |  |
|  | **Unpaid obligations:** |  |
| 3012 | New obligations and upward adjustments (480100E, 490200E) | 12,000 |
| 3020 | Outlays (gross) (490200E) | (4,000) |
| 3050 | Unpaid obligations, end of the year (480100E) | 8,000 |
| 3200 | Obligated balance, end of the year (calc.) | **8,000** |
|  |  |  |
|  | **Budget Authority and Outlays, Net:** |  |
| 4175 | Budget authority, gross (discretionary and mandatory) (calc.) | **12,000** |
| 4180 | Budget authority, net (total) (discretionary and mandatory) (calc.) | **12,000** |
| 4185 | Outlays, gross (discretionary and mandatory) (490200E) | 4,000 |
| **STATEMENT OF BUDGETARY RESOURCES** |
| 4190 | Outlays, net (total) (discretionary and mandatory)  | **4,000** |

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| --- |
| **SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE** **(SCHEDULE P)** |
|  | **BUDGETARY RESOURCES** | SF 133  | Schedule P |
|  | **All accounts:** |   |  |
| 0900 | Total new obligations (480100E, 490200E) |   | **12,000** |
|  |  |  |  |
|  | **Budget authority:** |  |  |
|  | **Appropriations:** |  |  |
|  | **Discretionary:** |  |  |
| 1100 | Appropriations (411900E) | 12,000 | 12,000 |
| 1160 | Appropriation, discretionary (total)  | **12,000** | **12,000** |
| 1900 | Budgetary authority (total) | **12,000** | **12,000** |
| 1910 | Total budgetary resources (calc.) | 12,000 |  |
| 1930 | Total budgetary resources available |  | 12,000 |
|  |  |  |  |
|  | **STATUS OF BUDGETARY RESOURCES** |  |  |
|  | **New obligations and upward adjustments:** |  |  |
|  | **Direct:** |  |  |
| 2001 | Category A (by quarter) (480100E, 490200E) | 12,000 |  |
| 2004 | Direct obligations (total) | **12,000** |  |
| 2190 | New obligations and upward adjustments (total) | **12,000** |  |
| 2500 | Total budgetary resources (calc.) | **12,000** |  |
|  |  |  |  |
| **SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE** **(SCHEDULE P)** |
|  | **CHANGE IN OBLIGATED BALANCE** |  |  |
|  | **Unpaid obligations:** |  |  |
| 3010 | New obligations, unexpired accounts (480100E) | 12,000 | 12,000 |
| 3020 | Outlays (gross) (-) (490200E) | (4,000) | (4,000) |
| 3050 | Unpaid obligations, end of year | 8,000 | 8,000 |
| 3200 | Obligated balance, end of year (+ or -)  | 12,000 | 12,000 |
|  |  |  |  |
|  | **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |
|  | **Discretionary:** |  |  |
|  | **Gross budget authority and outlays:** |  |  |
| 4000 | Budget authority, gross (calc.) | **12,000** | **12,000** |
|  | Outlays, gross |  |  |
| 4010 | Outlays from new discretionary authority (490200E) | 4,000 | 4,000 |
| 4020 | Outlays, gross (total) (calc.) | **4,000** | **4,000** |
| 4070 | Budget authority, net (discretionary) (calc.) | **12,000** | **12,000** |
| 4080 | Outlays, net (discretionary) (calc.) | **4,000** | **4,000** |
| 4180 | Budget authority, net (total) | **12,000** | **12,000** |
| 4190 | Outlays, net, (total) | **4,000** | **4,000** |

**Reclassified Statements**

| **RECLASSIFIED BALANCE SHEET**  |
| --- |
| **1** | **Assets** |  |
| **2** | **Non-Federal** |  |
| 2.4 | Inventories and related properties, net (151600E) | 4,000 |
| **2.9** | **Total Non-Federal Assets (calc. 2.1..2.8)** | **4,000** |
| **3** | **Federal**  |  |
| 3.1 | Fund balance with Treasury (RC 40) (101000E) | 8,000 |
| **3.14** | **Total federal assets (calc. 3.1..3.13)** | **8,000** |
| **4** | **Total assets (calc. 2.9+3.14)** | **12,000** |
| **5** | **Liabilities:** |  |
| **6** | **Non-federal** |  |
| **6.10** | **Total non-federal liabilities (calc. 6.1..6.9)** | - |
| **8** | **Total liabilities (calc. 6.10+7.14)** | - |
| **9** | **Net position:** |  |
| 9.2 | Net Position– funds other than those from dedicated collections ( 310100E, 310700E, 570000E) | 12,000 |
| **10** | **Total net position (calc. 9.1+9.2)** | **12,000** |
| **11** | **Total liabilities and net position (calc. 8+10)** | **12,000** |

| **RECLASSIFIED STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION**  |
| --- |
| **7** | **Budgetary financing sources:** |  |
| 7.1  | Appropriations received as adjusted (rescissions and other adjustments) (RC 41) / 1 (310100E) | 12,000 |
| 7.2 | Appropriations used (RC 39) (310700E) | (4,000) |
| 7.3 | Appropriations expended (RC38) / 1 (570000E) | 4,000 |
| **7.20** | **Total budgetary financing sources (calc. 7.1..7.19)** | **12,000** |
| **10** | **Net position, end of period (calc. 4..5.9..6.5..7.20.. 8.11..and 9)**  | **12,000** |

**Year 2**

2-1 Department of Defense receives another progress billing from supplier.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 480100 Undelivered Orders- Obligations, Unpaid 490100 Delivered Orders- Obligations, Unpaid**Proprietary Entry**151600 Operating Materials and Supplies in Development 211000 (N) Accounts Payable310700 (G) Unexpended Appropriations – Used 570000 (G) Expended Appropriations | 8,0008,0008,000 | 8,0008,0008,000 |   B402B134 |

2-2 Department of Defense makes $8,000 payment to supplier to complete the contract.

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| 490100 Delivered Orders - Obligations, Unpaid 490200 Delivered Orders - Obligations, Paid**Proprietary Entry**211000 (N) Accounts Payable 101000 (G) Fund Balance With Treasury | 8,0008,000 |  8,0008,000 |    B110   |

2-3 The contract for munitions is complete and Operating Materials and Supplies in Development is moved to Operating Materials and Supplies Held for Use.[[1]](#footnote-1)

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry** |  |  |  |
| None**Proprietary Entry**151100 Operating Materials and Supplies Held for Use 151600 Operating Materials and Supplies in Development | 12,000 | 12,000 |    D545   |

|  |
| --- |
| **Pre-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| 420100 Total Actual Resources - Collected |  8,000 |   |
| 490200 Delivered Orders - Obligations, Paid |  | 8,000 |
| **Total** | **8,000** | **8,000** |
|  |  |  |
| **Proprietary** |  |  |
| 151100 Operating Materials and Supplies Held for Use | 12,000 |  |
| 310000 Unexpended Appropriations – Cumulative |  | 8,000 |
| 310700 (G) Unexpended Appropriations – Used | 8,000 |  |
| 331000 Cumulative Results of Operations |  | 4,000 |
| 570000 (G) Expended Appropriations |  | 8,000 |
| **Total** | **20,000** | **20,000** |

**Closing Entry**

|  |
| --- |
|  |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**490200 Delivered Orders - Obligations, Paid 420100 Total Actual Resources - Collected |  8,000 |  8,000 |  F314 |
| **Proprietary Entry**310000 Unexpended Appropriations – Cumulative 310700 (G) Unexpended Appropriations – Used570000 (G) Expended Appropriations  331000 Cumulative Results of Operations | 8,0008,000 | 8,0008,000 | F342F336 |

|  |
| --- |
| **Post-Closing Trial Balances** |
|  | **Debit** | **Credit** |
| **Accounts** |  |  |
| **Budgetary** |  |  |
| None |  - | -  |
|  |  |  |
| **Proprietary** |  |  |
| 151100 Operating Materials and Supplies Held for Use | 12,000 |  |
| 331000 Cumulative Results of Operations |  | 12,000 |
| **Total** | **12,000** | **12,000** |

|  |
| --- |
| **BALANCE SHEET**  |
|  | **Assets:** |  |
| 12. | Inventory and related property, net (151100E) | 12,000 |
| 15.   | Total assets (calc.) | **12,000** |
|  |  |  |
|  | **Net Position** |  |
| 31. | Unexpended appropriations – All Other Funds | - |
| 33. | Cumulative results of operations - All Other Funds (331000E, 570000E) | 12,000 |
| 35. | Total Net Position – All Other Funds (calc.) | **12,000** |
| 36. | Total Net Position (calc.) | **12,000** |
| 37. | Total liabilities and net position (calc.) | **12,000** |

|  |
| --- |
| **STATEMENT OF BUDGETARY RESOURCES** |
|  | **Budgetary resources:** |  |
| 1000 | Unobligated balance brought forward, Oct 1 (420100B, 480100B) | - |
| 1910 | Total budgetary resources | - |
|  |  |  |
|  | **Status of budgetary resources:** |  |
| 2190 | New obligations and upward adjustments (total) (490200E, 480100B) | - |
| 2500 | Total budgetary resources | **-** |
|  |  |  |
|  | **Change in obligated balance:** |  |
|  | **Unpaid obligations:** |  |
| 3000 | Unpaid obligations, brought forward, Oct. 1 (480100B) | 8,000 |
| **STATEMENT OF BUDGETARY RESOURCES** |
| 3020 | Outlays (gross) (490200E) | (8,000) |
| 3100 | Obligated balance, start of year (+ or -) | 8,000 |
| 3200 | Obligated balance, end of year (+ or -) | - |
|  |  |  |
|  | **Budget authority and outlays, net:** |  |
| 4185 | Outlays, gross (discretionary and mandatory) (490200E) | 8,000 |
| 4190 | Outlays, net (total) (discretionary and mandatory)  | **8,000** |
| 4210 | Agency outlays, net (discretionary and mandatory)  | **8,000** |

|  |
| --- |
| **SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE** **(SCHEDULE P)** |
|  |  | SF 133  | Schedule P |
|  | **BUDGETARY RESOURCES** |  |  |
|  | **All accounts:** |   |  |
| 0900 | Total new obligations (480100B, 490200E) |   | - |
|  |  |  |  |
|  | **Unobligated balance:** |  |  |
| 1000 | Unobligated balance brought forward, Oct 1 (420100B, 480100B) | - | - |
| 1050 | Unobligated balance, (total) | - | - |
|  |  |  |  |
| 1910 | Total budgetary resources (calc.) | - |  |
| 1930 | Total budgetary resources available |  | - |
|  |  |  |  |
|  | **STATUS OF BUDGETARY RESOURCES** |  |  |
|  | **New obligations and upward adjustments:** |  |  |
| **SF 133: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES & BUDGET PROGRAM AND FINANCING SCHEDULE****(SCHEDULE P)** |
|  |  | SF 133 | Schedule P |
|  | **Direct:** |  |  |
| 2001 | Category A (by quarter) (480100B, 490200E) | - |  |
| 2004 | Direct obligations (total) | -  |  |
| 2190 | New obligations and upward adjustments (total) | -  |  |
| 2500 | Total budgetary resources (calc.) | **-** |  |
|  |  |  |  |
|  | **CHANGE IN OBLIGATED BALANCE** |  |  |
|  | **Unpaid obligations:** |  |  |
| 3000 | Unpaid obligations, brought forward, Oct. 1 (480100E, 490200E) |  8,000 |  8,000 |
| 3020 | Outlays (gross) (-) (490200E) | (8,000) | (8,000) |
| 3100 | Obligated balance, start of year (+ or -) | 8,000 | 8,000 |
| 3200 | Obligated balance, end of year (+ or -)  | - | - |
|  |  |  |  |
|  | **BUDGET AUTHORITY AND OUTLAYS, NET** |  |  |
|  | **Discretionary:** |  |  |
|  | **Gross budget authority and outlays:** |  |  |
| 4000 | Budget authority, gross | - | - |
|  |  |  |  |
|  | **Outlays, gross** |  |  |
| 4011 | Outlays from discretionary balances (490200E) | 8,000 | 8,000 |
| 4020 | Outlays, gross (total) | **8,000** | **8,000** |
| 4080 | Outlays, net (discretionary) | **8,000** | **8,000** |

**Reclassified Statements**

| **RECLASSIFIED BALANCE SHEET**  |
| --- |
| **1** | **Assets** |  |
| **2** | **Non-federal** |  |
| 2.4 | Inventories and related property, net (151100E) | 12,000 |
| **2.9** | **Total non-federal assets (calc. 2.1..2.8)** | **12,000** |
| **4** | **Total assets (calc. 2.9..3.14)** | **12,000** |
| **5** | **Liabilities:** |  |
| **6** | **Non-federal** |  |
| **6.10** | **Total non-federal liabilities (calc. 6.1..6.9)** | - |
| **8** | **Total Liabilities (calc. 6.10 +7.14)** | - |
| **9** | **Net position:** |  |
| 9.2 | Net position– funds other than those from dedicated collections (310000B, 331000B) | 12,000 |
| **10** | **Total net position (calc. 9.1+9.2)** | **12,000** |
| **11** | **Total liabilities and net position (calc. 8+10)** | **12,000** |

| **RECLASSIFIED STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION**  |
| --- |
| **1** | Net position, beginning of period (310000B, 331000B) | 12,000 |
| **4** | **Net position, beginning of period – adjusted (1..2.1..2.2..2.3..3.1..3.2..and 3.3)** | **12,000** |
| **7** | **Budgetary financing sources:** |  |
| 7.2 | Appropriations used (RC 39) (310700E) | (8,000) |
| 7.3 | Appropriations expended (RC 38) / 1 (570000E) | 8,000 |
| **7.20** | **Total budgetary financing sources (calc. 7.1..7.19)** | - |
| **10** | **Net position, end of period (calc. 4..5.9..6.5..7.20.. 8.11..and 9)**  | **12,000** |

1. At any time during the development and production phase, if the supplier cannot fulfill their obligation on the remaining contract, the Department of Defense would be entitled to claim ownership of any and all munitions on which progress payments have been made since title passes to the Department of Defense at the time of progress payments. [↑](#footnote-ref-1)