

CHAPTER VI: _____

Reimbursable Authority

Introduction

This chapter covers budgetary accounting for reimbursables for the performing agency. In discussing the budgetary accounting, a conceptual framework listing the accounts covered in this chapter is presented, followed by a section containing pro forma journal entries for basic transactions and closing entries. The next section presents crosswalks from the accounts to line

items on the SF-133, "Report on Budget Execution" and the FMS-2108 "Year-End Closing Statements."

Additional information is contained in Chapter I of this document. A list of references at the end of this chapter is provided for further research of any particular topic.

Conceptual Framework

Entries in this chapter satisfy the basic budgetary accounting equation: Reimbursable resources equal status of reimbursable resources.

The accounts through which the equation is satisfied are shown in the table on the following page. Agencies must be able to distinguish status accounts between appropriations and Reimbursable authority.

**Reimbursable resources
=
Status of resources**

Resources - Contra resources = Status of resources

Section I

Reimbursables Resources and Authority

Resources

4210 Anticipated Reimbursements & Other Income
4220 Unfilled Customer Orders¹
4251 Reimbursements and Other Income Earned - Receivable
4252 Reimbursements and Other Income Earned - Collected

Unapportioned Authority

4450 Unapportioned Authority

Apportionments of Authority

4590 Apportionments - Unavailable

Allotments of Authority

4610 Allotments - Realized Resources

Commitments of Authority

4700 Commitments

Undelivered Orders Placed Against Authority

4801 Undelivered Orders - Unpaid
4802 Undelivered Orders - Paid
4870 Downward Adjustments of Prior-Year Undelivered Orders
4880 Upward Adjustments of Prior-Year Undelivered Orders

Expended Authority

4901 Expended Authority - Unpaid
4902 Expended Authority - Paid
4970 Downward Adjustments of Prior-Year Expended Authority
4980 Upward Adjustments of Prior-Year Expended Authority

¹ The most recent SF-133 Featured in the A-34 (12-26-96), published by OMB, requires additional information. This information is supplied by the use of SGL Data Elements, as follows:

4220 Unfilled Customer Orders
A=With Advance, N=No Advance Received

The following accounts have been deleted:

4230 Unfilled Customer Orders - Unobligated
4240 Unfilled Customer Orders - Obligated

Section II

Journal Entries

Journal entries for most basic transactions and for closing entries are included in this section. They are organized in the following format:

1. Entries to anticipate and realize net resources,
2. Entries to record changes in status accounts.

The entries are set forth below.

Some budgetary transactions require a corresponding proprietary entry that is not illustrated in this document. These transactions are marked with a "P".

Budgetary Accounting

Entries for Reimbursables

I. Entries to anticipate and realize reimbursements

I-A. *1-1. To anticipate reimbursements.*

■ 4210 Anticipated Reimbursements and Other Income

■ 4450 Unapportioned Authority

I-B. *To realize an anticipated reimbursement. (The performing agency must receive a Reimbursable Order, that has been obligated by the ordering agency, before realizing a Budgetary Resource in all situations. If the Reimbursable Order is from a Non-Federal source, it must also be accompanied by an advance that covers the full amount of the order unless the agency has special authority to accept Non-Federal Reimbursable Orders without an advance.)*

■ 4220 Unfilled Customer Orders

■ 4210 Anticipated Reimbursements and Other Income

I-C. *To record an earning against a reimbursable order. (Reimbursements earned may or may not coincide with the expending of authority). P*

■ 4252 Reimbursements and Other Income Earned - Collected

■ 4220 Unfilled Customer Orders

II. To record changes in status of resources

II-A. *To record an apportionment of authority.*

■ 4450 Unapportioned Authority

■ 4590 Apportionments - Unavailable

Reimbursable Authority

II-B. *To record an allotment of authority related to a realized resource. (Some agencies allot the authority based upon the anticipation, others wait until they have received an order. In either case, the funds **may not** be obligated until an order has been received.)*

■ 4590 Apportionments - Unavailable

■ 4610 Allotments - Realized Resources

II-C. *To record a commitment of the allotment.*

■ 4610 Allotments-Realized Resources

■ 4700 Commitments

II-D. *To record an undelivered order for authority not previously committed. (Funds may not be obligated until an order has been received.)*

■ 4610 Allotments - Realized Resources

■ 4801 Undelivered Orders - Unpaid

II-E. *To record an undelivered order for authority previously committed:*

E-1. *The commitment was the same as the undelivered order.*

■ 4700 Commitments

■ 4801 Undelivered Orders - Unpaid

E-2. *The commitment was more than the undelivered order.*

■ 4700 Commitments

■ 4610 Allotments - Realized Resources

■ 4801 Undelivered Orders - Unpaid

E-3. *The commitment was less than the undelivered order.*

■ 4700 Commitments

■ 4610 Allotments - Realized Resources

■ 4801 Undelivered Orders - Unpaid

Budgetary Accounting

II-F. *To expend authority committed with no undelivered order where:* P

F-1. *The commitment was the same as the expended amount.*

■ 4700 Commitments

■ 4902 Expended Authority - Paid

III. **Entries for current year obligations and expended authority only when the authority has not expired. (For reimbursables, appropriations limitations apply to the ordering and the performing agency.)**

III-A. *To expend authority with no previous commitment or undelivered order.* P

■ 4610 Allotments - Realized Resources

■ 4902 Expended Authority - Paid

III-B. *To expend authority with an undelivered order where:*

B-1. *The undelivered order was the same as the expended amount.*

■ 4801 Undelivered Orders - Unpaid

■ 4902 Expended Authority - Paid

B-2. *The undelivered order was more than the expended amount.*

■ 4801 Undelivered Orders - Unpaid

■ 4610 Allotments - Realized Resources

■ 4902 Expended Authority - Paid

B-3. *The undelivered order was less than the expended amount.*

■ 4801 Undelivered Orders - Unpaid

■ 4610 Allotments - Realized Resources

■ 4902 Expended Authority - Paid

IV. Entries for prior-year undelivered orders and expended authority when the prior-year authority has expired.

NOTE: If the account expires before the order is filled, the unobligated portion will be recorded as a reduction in unfilled customer's orders on line 3B and advance payments, if any, will be returned to the ordering account, or to a deposit fund pending transfer to the ordering account. Repayment for a filled order received after the account expires, will be credited to the expired account. If the account is cancelled before reimbursement is received, amounts will be deposited in miscellaneous receipts in the Treasury.

IV-A. *To expend authority with an undelivered order where:* P

A-1. *The undelivered order was the same as the expended amount.*

■ 4801 Undelivered Orders - Unpaid

■ 4902 Expended Authority - Paid

A-2. *The undelivered order was more than the expended amount.*¹

■ 4870 Downward Adjustments of Prior-Year Undelivered Orders

■ 4220 Unfilled Customer Orders

(and)

■ 4801 Undelivered Orders - Unpaid

■ 4902 Expended Authority - Paid

A-3. *Undelivered order was less than the expended amount.*¹

■ 4801 Undelivered Orders

■ 4220 Unfilled Customer Orders

■ 4902 Expended Authority - Paid

¹ Some agencies have language specified in the order which allows adjustments within a certain percentage range without prior approval. Otherwise, increases to the order must have ordering agency approval prior to recording by the performing agency.

Budgetary Accounting

V. Closing entries when authority expires

V-A. *Consolidate resources.*

- 4201 Total Actual Resources
 - 4252 Reimbursements and Other Income Earned - Collected

V-B. *To close anticipated and unobligated authority.*

- 4450 Unapportioned Authority - Available
- 4590 Apportionments - Unavailable
- 4610 Allotments - Realized Resources
- 4700 Commitments
 - 4210 Anticipated Reimbursements and Other Income

V-C. *To close expended authority.*

- 4902 Expended Authority - Paid
 - 4201 Total Actual Resources

Reimbursable Authority

At this point the budgetary accounting equation will be:

$$\begin{array}{r} 4220 \text{ Unfilled Customer Orders} \\ + \\ 4251 \text{ Reimbursements and Other Income - Receivable} \\ = \\ 4801 \text{ Undelivered Orders - Unpaid} \\ + \\ 4802 \text{ Undelivered Orders - Paid} \\ + \\ 4901 \text{ Expended Authority - Unpaid} \end{array}$$

Section III

Crosswalks to Key Reports

This section contains crosswalks from the SGL accounts in the conceptual framework to the lines of key budgetary reports on which they would be reported. The reports included here

include the SF-133, "Report on Budget Execution" and FMS-2108, "Year-End Closing Statement."

Standard Form 133, Report on Budget Execution Year 1 of Annual Reimbursements

Note: Ending balance means preclosing balance.

Line Number	Beginning/ Ending Balance	Interim/ Final	Account Number and Title	Additional Information Required
1			N/A	
2			N/A	
3A1	E	I/F	4252 Reimbursements and Other Income Earned - Collected	
3A2	E	I/F	4251 Reimbursements and Other Income Earned - Receivable	
3B1	E	I/F	4220 Unfilled Customer Orders A	
3B2	E	I/F	4220 Unfilled Customer Orders N	
3C2	E	I	4210 Anticipated Reimbursements and Other Income	
7			CALC (3A + 3B + 3C)	
8A			N/A	
8B			N/A	
8C			N/A	
8D	E	I/F	4801 Undelivered Orders - Unpaid	
	E	I/F	4802 Undelivered Orders - Paid	
	E	I/F	4901 Expended Authority - Unpaid	
			4902 Expended Authority - Paid	
9A1			N/A	
9A2	E	I	4590 Apportionments - Unavailable	
10D	E	I	4450 Unapportioned	
11			CALC (8 + 9 + 10)	
12			N/A	

Budgetary Accounting

**Standard Form 133, Report on Budget Execution
Year 1 of Annual Reimbursements**

Note: Ending balance means preclosing balance.

Line Number	Beginning/ Ending Balance	Interim/ Final	Account Number and Title	Additional Information Required
13			Not Derived from SGL Accounts	
14A	E	F	4251 Reimbursements and Other Earnings - Receivable	
14B1	E	F	4220 Unfilled customer Orders N	
14C	E	F	4801 Undelivered Orders - Unpaid	
14D	E	F	4901 Expended Authority - Paid	
15A	E	F	4902 Expended Authority - Paid	
15B	E	F	4252 Reimbursements and Other Earnings - Collected	
15			CALC (8 - 13 - 14 - 14C - 14D)	

**FMS Form 2108, Year-end Closing Statement
Year 1 of Annual Reimbursements**

Note: Ending balance means preclosing balance.

Column Number	Ending/ Post- closing Balance	Account Number and Title
5		4201 Total Actual Resources
8		4220 Unfilled Customer Orders N
9		4801 Undelivered Orders - Unpaid
10		4220 Unfilled customer Orders A

Budgetary Accounting

Standard Form 133, Report on Budget Execution Year 2 of Annual Reimbursements

Note: Ending balance means preclosing balance.

Line Number	Beginning/ Ending Balance	Interim/ Final	Account Number and Title	Additional Information Required
1			N/A	
2A	B		4201 Total Actual Resources	Added
	B		4251 Reimbursements and Other Income - Earned - Receivable)	Added
	B		4801 Undelivered Orders - Unpaid	Subtracted
	B		4802 Undelivered Orders - Paid	Subtracted
	B		4901 Expended Authority - Unpaid	Subtracted
3A1	E	I/F	4252 Reimbursements and Other Income Earned - Collected	
3A2	E-B	I/F	4251 Reimbursements and Other Income Earned - Receivable	
3B1	E	I/F	4220 Unfilled Customer Orders N	
3B2	E	I/F	4220 Unfilled Customer Orders A	
4A	E	I/F	4870 Downward Adjustments of Prior-Year Obligations	
7			CALC (2A + 3A + 3B + 4A)	
8A			N/A	
8B			N/A	
8C			N/A	
8D	E-B		4801 Undelivered Orders - Unpaid	
	E-B		4802 Undelivered Orders - Paid	
	E-B		4901 Expended Authority - Unpaid	
	E		4902 Expended Authority - Paid	
	E		4880 Upward Adjustments of Obligations	

**Standard Form 133, Report on Budget Execution
Year 2 of Annual Reimbursements**

Note: Ending balance means preclosing balance.

Line Number	Beginning/ Ending Balance	Interim/ Final	Account Number and Title	Additional Information Required
	E		4980 Upward Adjustments of Expended Authority	
9A1			N/A	
9A2			N/A	
9B			N/A	
10			N/A	
11			CALC (8 + 9 + 10)	
12	B	F	4220 Unfilled Customer Orders A/N	
	B	F	4251 Reimbursements and Other Income Earned - Receivable	
	B	F	4801 Undelivered Orders - Unpaid	
	B	F	4901 Expended Authority - Unpaid	
13			Not Derived from SGL Accounts	
14A	E	F	4251 Reimbursements and Other Earnings - Receivable	
14B1	E	F	4220 Unfilled customer Orders N	
14C	E	F	4801 Undelivered Orders - Unpaid	
14D	E	F	4901 Expended Authority - Unpaid	
15A	E	F	4902 Expended Authority - Paid	
15B	E	F	4252 Reimbursements and Other Earnings - Collected	
15			CALC (8 - 3 - 4 + 12 ± 13 + 14A + 14B - 14C - 14D)	