

**GUIDE FOR BASIC ACCOUNTING AND REPORTING  
FOR DIRECT LOAN PROGRAMS  
WITHOUT COLLATERAL  
IN FEDERAL CREDIT PROGRAM  
EFFECTIVE FISCAL YEAR 2017**

**PREPARED BY:**

**CREDIT REFORM SUBCOMMITTEE AND  
UNITED STATES STANDARD GENERAL LEDGER ADVISORY DIVISION  
GOVERNMENTWIDE ACCOUNTING  
BUREAU OF THE FISCAL SERVICE  
U.S. DEPARTMENT OF TREASURY**

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**Version History**

Version Number	Date	Description of Change
1.0	12/03/2007	Updated account titles and transaction codes. Added transaction 1-21. Modified Appendix 1. Deleted Appendix 2.
2.0	08/31/2010	Updated account titles and numbers and crosswalks based on USSGL TFM Supplement T/L S2-10-02. Modified Modification and added Modification Adjustment Transfer transaction. Added transaction for cancellation of unused borrowing authority. Added Appendix 2, Accounting for Downward Re-estimates in discretionary and mandatory direct loan programs. Added Appendix 3, Negative Subsidy.
3.0	2017	Updated account titles and numbers and crosswalks based on Bulletin No. 2017-01. Updated Appendices 1-5.

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## OVERVIEW

This guide is designed for those who:

- Formulate and execute Federal credit program budgets, including accounting for assets, liabilities, net position, income, and expenses, and budgetary resources;
- Prepare agency financial statements;
- Audit the agency financial statements;
- Manage or provide service to participants in loan guarantee programs;
- Design and maintain computer systems for financial programs;
- Instruct others in basic accounting and reporting for direct loan programs without collateral.

The guide is illustrative, rather than authoritative, and is categorized as “other accounting literature” in the hierarchy of accounting principles for Federal entities.<sup>1</sup> It supersedes the original and subsequent direct loan scenarios. Users may download the guide from the Bureau of the Fiscal Service (Fiscal Service) Web site at [https://www.fiscal.treasury.gov/fsreports/ref/ussgl/approved\\_scenarios/approved\\_scenarios.htm#creditreform](https://www.fiscal.treasury.gov/fsreports/ref/ussgl/approved_scenarios/approved_scenarios.htm#creditreform).

In order to understand and gain the most from the guide, users must have a working knowledge of the following:

- Budgetary and proprietary accounting, reporting, and terminology;
- The United States Standard General Ledger (USSGL) accounts for basic annual operating appropriations and revolving funds;
- The Federal Accounting Standards Advisory Board Standards and Technical Releases related to credit reform accounting;
- The Credit Reform Act and other requirements established by the Act; and
- The Concepts and Standards of Federal credit program accounting and reporting, fund structures, and terminology.

This guide is a study in accounting and reporting for a discretionary direct loan program under the Federal Credit Reform Act of 1990, as amended, for direct loans obligated after September 30, 1991. Direct loans are disbursements of funds by the Government to a non-federal borrower under a contract that requires repayment

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<sup>1</sup>See §142, p.28, Financial Reporting Requirements, OMB Circular A-136, dated October 7, 2016.

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of such funds with or without interest.<sup>2</sup>

Transactions are presented over a 1-year period (fiscal year 1) for a fictitious Federal agency with a single direct loan program with no risk categories. Transactions for fiscal year 2 show the disposition of the re-estimated subsidy accrued in fiscal year 1. Common transactions and reports are covered in addition to transactions unique to Federal credit program accounting. However, since accounting for accruals and undelivered orders with advances are not unique to credit reform accounting, they are not presented. In addition, transactions involving collateral are excluded, since they are covered in a separate guide. Entries are made in general journal form, using USSGL accounts, and are summarized in trial balances for each year.

The transactions shown are:

- ◆ Formulation, apportionment, and allotment of the budget;
- ◆ Receipt of subsidy and administrative expense appropriations;
- ◆ Transfer of subsidy from the program to the financing fund;
- ◆ Borrowing from Treasury and repayment of loans and interest;
- ◆ Disbursement of loans to program participants and collection of principal and interest from them;
- ◆ Disbursement of administrative expenses;<sup>3</sup>
- ◆ Modification of loan terms, with resulting adjustment to program levels and return of excess borrowing from Treasury and reduction of borrowing authority;
- ◆ Accrual and receipt or disbursement of subsidy re-estimates and related interest;
- ◆ Accrual of collectible and uncollectible interest from borrowers;
- ◆ Amortization of allowance for subsidy;

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<sup>2</sup>OMB Circular A-11 (Revised - July 1, 2016), Section 185.3(d)

<sup>3</sup>The illustration is for payment of administrative expenses without prior obligation through undelivered orders or accounts payable. Though administrative expenses will usually be obligated before payment, there is nothing about the transactions unique to credit program accounting, and hence, prior obligations are not shown.

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- ◆ Write-off of bad debts without receiving collateral;
- ◆ Capitalization of accrued interest paid; and
- ◆ Closing entries.

The yearend agency reports presented are listed below:

- Balance Sheet;
- Statement of Net Cost;
- Statement of Changes in Net Position;
- Statement of Budgetary Resources;
- SF 133: Report on Budget Execution and Budgetary Resources and Budget Program and Financing Schedule (Schedule P); and
- Credit Program Footnote (including the Schedule of Changes in the Allowance for Subsidy).

A SF 132: Apportionment and Reapportionment Schedule report is furnished at the beginning of each year.

This guide includes five appendices. Appendix 1 discusses basic differences encountered in mandatory programs. Appendix 2 provides the recording and reporting for downward reestimates of subsidy for both a discretionary and a mandatory program. Appendix 3 provides the recording and reporting of negative subsidy. Appendix 4 provides a listing of key references related to credit program accounting. If the references change, this document will be updated accordingly and published on the Fiscal Service Web site at [https://www.fiscal.treasury.gov/fsreports/ref/ussgl/ussgl\\_home.htm](https://www.fiscal.treasury.gov/fsreports/ref/ussgl/ussgl_home.htm). Appendix 5 provides a list of agency representatives that assisted in the preparation of this document.

Users may send questions to the Fiscal Service Web site at <https://www.fiscal.treasury.gov/fsreports/ref/ussgl/form-issues.htm> by using the online USSGL Issue Form. This Web site also provides a list of the USSGL representatives and their telephone numbers. Users may contact the Director, USSGL Advisory Division, Fiscal Service, via e-mail.

## CONCEPTUAL FRAMEWORK

This guide uses numbers and titles for USSGL accounts. When necessary, titles for USSGL accounts are expanded by using brackets to capture, clarify, or add specific information, for illustrative purposes only. For example, administrative expense, “[Administrative Expense]” is included after the title for USSGL 610000 account, “Operating Expenses/Program Costs.” In the same manner, for interest supplement expense, “[Interest Supplement],” is included after the title for the USSGL 610000 account. The USSGL Supplement, Section II, contains definitions for USSGL accounts.

Entries are in general journal form, using USSGL accounts, and are summarized in trial balances for each year. Note that the financing fund is used only in the transactions for Post-Credit Reform scenarios, and the liquidating fund is used only in the transactions for Pre-Credit Reform scenarios.

USSGL accounts that, by themselves, do not directly provide the reporting that is illustrated, are supplemented with additional detail. The entries made and the method chosen to illustrate the detail provide only one-way of accounting. Agencies may have other ways of structuring their ledgers and making journal entries to accomplish the same result.

## ACCOUNT TABLES

The following tables identify the accounts used in the guide to record transactions and prepare reports. Since the transactions are not comprehensive, the tables do not contain all accounts that agencies may use in day-to-day activities.

### PROGRAM FUND BUDGETARY ACCOUNTS USED

#### RESOURCES

##### Anticipated

412000 Anticipated Indefinite Appropriations

##### Realized

411500 Loan Subsidy Appropriation

411700 Loan Administrative Expense Appropriation

411800 Reestimated Loan Subsidy Appropriation

420100 Total Actual Resources - Collected

#### STATUS OF RESOURCES

##### Unobligated

445000 Unapportioned Authority

451000 Apportionments

459000 Apportionments - Anticipated Resources - Program Subject to Apportionment

461000 Allotments - Realized Resources

465000 Allotments - Expired Authority

##### Obligated

480100 Undelivered Orders – Obligations Unpaid

490200 Delivered Orders – Obligations, Paid [Re-estimated Subsidy and Interest]

490200 Delivered Orders – Obligations, Paid [Other]

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**PROGRAM FUND PROPRIETARY ACCOUNTS USED**

**ASSETS**

101000 Fund Balance With Treasury

**LIABILITIES**

217000 Subsidy Payable to Financing Account

**NET POSITION**

310000 Unexpended Appropriations - Cumulative

310100 Unexpended Appropriations - Appropriations Received

310700 Unexpended Appropriations - Used

331000 Cumulative Results of Operations

**FINANCING SOURCES**

570000 Expended Appropriations

579100 Adjustment to Financing Sources – Credit Reform

**EXPENSES**

610000 Operating Expenses/Program Costs [Administrative Expense]

610000 Operating Expenses/Program Costs [Basic and Modified Subsidy]

619900 Adjustment to Subsidy Expense

680000 Future Funded Expenses [Subsidy Re-estimate]

729000 Other Losses

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**FINANCING FUND BUDGETARY ACCOUNTS USED**

**RESOURCES**

Anticipated

406000 Anticipated Collections from Non-Federal Sources  
407000 Anticipated Collections from Federal Sources  
412000 Anticipated Indefinite Appropriations

Realized

412500 Loan Modification Adjustment Transfer Appropriation  
414100 Current-Year Borrowing Authority Realized  
420100 Total Actual Resources - Collected  
422100 Unfilled Customer Orders Without Advance  
426100 Actual Collections of Business-Type Fees  
426200 Actual Collections of Loan Principal  
426300 Actual Collections of Loan Interest  
427100 Actual Program Fund Subsidy Collected  
427300 Interest Collected from Treasury

Anticipated Contra Resources

404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority

Realized Contra Resources

414200 Actual Repayment of Borrowing Authority Converted to Cash  
414300 Current-Year Decreases to Indefinite Borrowing Authority Realized  
414600 Actual Repayments of Debt, Current-Year Authority

Other

414500 Borrowing Authority Converted to Cash  
414800 Resources Realized from Borrowing Authority  
414900 Borrowing Authority Carried Forward

**STATUS OF RESOURCES**

Unobligated

445000 Unapportioned Authority  
451000 Apportionments  
459000 Apportionments - Anticipated Resources - Program Subject to Apportionment  
461000 Allotments - Realized Resources

Obligated

480100 Undelivered Orders – Obligations Unpaid  
490200 Delivered Orders – Obligations, Paid [Loans Made]  
490200 Delivered Orders – Obligations, Paid [Other]

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**FINANCING FUND PROPRIETARY ACCOUNTS USED**

**ASSETS**

101000 Fund Balance With Treasury  
131000 Accounts Receivable [Subsidy Receivable from Program Account]  
134100 Interest Receivable - Loans  
135000 Loans Receivable  
139900 Allowance for Subsidy

**LIABILITIES**

219000 Other Liabilities With Related Budgetary Obligations [Downward Re-estimate Payable to Misc. Receipt Account]  
232000 Other Deferred Revenue  
251000 Principal Payable to the Bureau of the Fiscal Service  
299000 Other Liabilities Without Related Budgetary Obligations

**NET POSITION**

310000 Unexpended Appropriations - Cumulative  
310100 Unexpended Appropriations - Appropriations Received  
310700 Unexpended Appropriations - Used  
331000 Cumulative Results of Operations<sup>4</sup>

**FINANCING SOURCES**

531200 Interest Revenue – Loans Receivable/Uninvested Funds [Borrowers]  
531200 Interest Revenue - Loans Receivable/Uninvested Funds [Treasury]  
531300 Interest Revenue – Subsidy Amortization  
570000 Expended Appropriations  
577500 Nonbudgetary Financing Sources Transferred In  
577600 Nonbudgetary Financing Sources Transferred Out  
579100 Adjustment to Financing Sources - Credit Reform  
599300 Offset to Non-Entity Collections - Statement of Changes in Net Position  
599400 Offset to Non-Entity Accrued Collections - Statement of Changes in Net Position

**EXPENSES**

631000 Interest Expenses on Borrowing from the Bureau of the Fiscal Service and/or the Federal Financing Bank  
680000 Future Funded Expenses [Subsidy Re-estimate]

<sup>4</sup>This account must be zero after closing. OMB Circular A-11, Section 185, Exhibit E, the financing is designed to break even and thus have a zero results of operations. If the subsidy money is too great, a payable to transfer it to a designated miscellaneous receipt fund is accrued. If it is too little, a receivable from the program fund is accrued for the deficiency. The accounting is such that financing sources must equal expenses, and assets must equal liabilities.

## DIRECT LOANS

### YEAR 1

The Direct Loan Agency has been authorized to make loans beginning in fiscal year 1. The agency has a single, discretionary direct loan program with no risk categories.<sup>5</sup> The Congress has authorized annual appropriations<sup>6</sup> for basic subsidy, modified subsidy, and administrative expenses; permanent indefinite appropriations for upward re-estimates of subsidy, with related interest; and permanent indefinite borrowing authority for the unsubsidized portion of loans made. The agency's authorizing legislation makes it subject to the Credit Reform Act of 1990, as amended. An authorized agency official provides blanket allotment authority for all realized resources, as they are realized, up to the amount apportioned by OMB.

The agency borrows the full amount it expects to need at the beginning of the year, and gives back the amount it has not obligated at the end of the year. All collections are used to repay principal and interest on its Treasury loans.<sup>7</sup>

The agency has authority to obligate \$120,000 in loans in fiscal year 1, for which the subsidy model shows a 21.5 percent subsidy rate, comprised of:

- |  |      |
|--|------|
| • Defaults, 20 percent;                              | 20.0 |
| • Interest differential, <sup>8</sup> 2 percent; and | 2.0  |
| • Fees, (.5) percent.                                | (.5) |
- Administrative expenses for Year 1 have been authorized in the amount of \$5,000, and loans are to be funded with (1) monies received from the appropriation subsidy and (2) borrowing from Treasury for the remainder.
  - It is expected that \$11,000 of loan principal, \$500 of loan interest and \$500 in fees will be received in Year 1, and that Fiscal Service principal of \$11,300 will be repaid, plus interest of \$700 (total \$12,000).

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<sup>5</sup>Programs, which have risk categories, must maintain separate financing fund accounting for each risk category.

<sup>6</sup>While annual appropriations for basic and modified subsidy, which are common in discretionary direct loan programs, are illustrated in the case, some programs may have multi-year or permanent indefinite appropriations provided for these purposes in their underlying legislation. Accounting for these types of appropriations is essentially the same as it would be for basic operating appropriations or revolving funds, which had them.

<sup>7</sup> Although the guide indicates that the full amount of the borrowing occurs at the beginning of the year, it (borrowing) can occur throughout the year.

<sup>8</sup>This is the difference between interest charged borrowers and interest the agency must pay to Treasury on loans to make the borrowing.

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- Current, definite appropriations, permanent indefinite borrowing authority, and authorization for the appropriate collections are authorized in the legislation.

The agency prepared the following request for apportionment (SF 132):

**Direct Loan Agency  
 Fiscal Year 1**

<b>SF 132 Apportionment/Reapportionment Schedule</b>			
	<b>BUDGETARY RESOURCES</b>	<b>Program Fund</b>	<b>Financing Fund</b>
	<b>Budget authority:</b>		
	<b>Appropriations, discretionary:</b>		
1100	Appropriation	30,800	
1400	Borrowing authority		94,200
	<b>Spending authority from offsetting collections, mandatory:</b>		
1840 <sup>9</sup>	Anticipated Collections, Reimbursements, and Other Income		<u>37,800</u>
1842	Anticipated Capital Transfers and Repayments of Debt		<u>(11,300)</u>
1920	Total Budgetary Resources	<u>30,800</u>	<u>120,700</u>
	<b>APPLICATION OF BUDGETARY RESOURCES</b>		
	<b>Category B (by project)</b>		
6011	Direct Loan Subsidy	25,800	120,000
6013	Administrative Expense	5,000	
6014	Interest to Treasury		700
6190	Total Budgetary Resources Available	<u>30,800</u>	<u>120,700</u>

<sup>9</sup> The SF132 line 1840 should be split between Federal and Non-Federal.

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**TRANSACTIONS - YEAR 1**

**1-1 To record the enactment of appropriations.<sup>10</sup>**

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
411500 Loan Subsidy Appropriation	25,800		
411700 Loan Administrative Expense Appropriation	5,000		
445000 Unapportioned Authority		30,800	A104
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	30,800		
310100 (G) Unexpended Appropriations – Appropriations Received		30,800	

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
406000 Anticipated Collections from Non-Federal Source	12,000		
407000 Anticipated Collections from Federal Sources	25,800		
414100 Current-Year Borrowing Authority Realized	94,200		
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority		11,300	A140
445000 Unapportioned Authority		120,700	A142 A152
<b><u>Proprietary Entry</u></b>			
None			

<sup>10</sup>This footnote corresponds to TC A104, A140, A142, and A152. Annual appropriations are considered realized based on the underlying legislation. Agencies that have multi-year appropriations in other than their final year, or permanent indefinite appropriations, would normally need to anticipate their appropriations prior to realizing them.

If under a continuing resolution, refer to the Appropriations Provided by a Continuing Resolution scenario at [https://www.fiscal.treasury.gov/fsreports/ref/ussgl/approved\\_scenarios/approved\\_scenarios.htm](https://www.fiscal.treasury.gov/fsreports/ref/ussgl/approved_scenarios/approved_scenarios.htm)

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**1-2. The agency's requests for apportionment were approved by OMB without change, and the apportionment was recorded.**

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority	30,800		
451000 Apportionments		30,800	A116
<b><u>Proprietary Entry</u></b>			
None			

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority	120,700		
451000 Apportionments		94,200	
459000 Apportionments - Anticipated Resources		26,500	A116
- Program Subject to Apportionment			A118
<b><u>Proprietary Entry</u></b>			
None			

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**1-3 Issued a blanket authorization to allot anticipated resources as they were realized, not to exceed the amount of the apportionment.**

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
451000 Apportionments	30,800		
461000 Allotments - Realized Resources		30,800	A120
<b><u>Proprietary Entry</u></b>			
None			

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
451000 Apportionments	94,200		
461000 Allotments - Realized Resources		94,200	A120
<b><u>Proprietary Entry</u></b>			
None			

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**1-4. Borrowed from the Bureau of the Fiscal Service (Fiscal Service) the amount required to make \$118,000 in loans. 11**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
414800 Resources Realized from Borrowing Authority	92,630		
414500 Borrowing Authority Converted to Cash		92,630	
			A156
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	92,630		
251000 (F) Principal Payable to the Bureau of the Fiscal Service		92,630	

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11 (\$118,000 loans\*subsidy rate 21.5% = subsidy to be transferred from Program Fund to Financing Fund = \$25, 370. This amount is reduced from the \$118,000, which would leave an amount to borrow of \$92, 630).

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**1-5. Paid administrative expenses of \$4,950. \$4000 was for employees and 950 to GSA. No undelivered orders were placed or accruals made before payment.<sup>12</sup>**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments - Realized Resources	4,950		
490200 Delivered Orders - Obligations, Paid [Other]		4,950	
			B106
<b><u>Proprietary Entry</u></b>			
610000 (N) Operating Expenses/Program Cost [Administrative Expenses]	4,000		
610000 (F) Operating Expenses/Program Cost [Administrative Expenses]	950		
101000 (G) Fund Balance With Treasury		4,950	
310700 (G) Unexpended Appropriations - Appropriations Used	4,950		
570000 (G) Financing Sources from Appropriations		4,950	B134

<sup>12</sup> This footnote corresponds to TC B106 and B134. Typically in standard federal accounting, undelivered orders (4800xx) would be placed with vendors to acquire the goods, and the invoices would be accrued as payable (490100) before they were paid; however, in credit programs those particular accounting events do not exist. As a result, we will not illustrate those particular transactions in the case study because they are not necessary.

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**1-6. Agreed to make \$90,000 of loans, subject to the loan applicants meeting conditions placed on them.**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments - Realized Resources	19,350 <sup>13</sup>		
480100 Undelivered Orders - Unpaid		19,350	B306
<b><u>Proprietary Entry</u></b>			
None			

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<sup>13</sup>\$90,000 in loan commitments x 21.5 percent subsidy = \$19,350.

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**To recognize the subsidy to be transferred from the program fund.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
422100 Unfilled Customer Orders without Advance	19,350 <sup>14</sup>		
407000 Anticipated Collections from Federal Sources		19,350	C101
<b><u>Proprietary Entry</u></b>			
None			

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<sup>14</sup> OMB Circular A-11, Section 185.25, states that for direct loan financing account include the subsidy cost payment obligated in the program account but not yet paid on line 1801, Spending authority from offsetting collections, Change in unfilled customer orders, Without advance from Federal sources.

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To record allotment. <sup>15</sup>	DR	CR	TC
<b><u>Budgetary Entry</u></b> 459000 Apportionments - Anticipated Resources - Program Subject to Apportionment 461000 Allotments - Realized Resources	19,350	19,350	A122
461000 Allotments - Realized Resource 480100 Undelivered Orders - Unpaid	90,000	90,000 <sup>16</sup>	B306
<b><u>Proprietary Entry</u></b> None			

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<sup>15</sup> Note that the unfilled customer order from the program fund constitutes a realized resource (OMB Circular A-11, Section 185.11).

<sup>16</sup> The \$90,000 is the amount of the loans agreed upon, but not yet finalized. It represents a combination of the \$19,350 subsidy plus \$70,650 (\$90,000 x the unsubsidized rate of 78.5 percent) of borrowing authority.

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**1-7. Applicants for \$87,000 of the \$90,000 of loan commitments met the conditions for making the loans. Subsidy was transferred from the program fund to the financing fund, and the loans were disbursed to the applicants.<sup>17</sup> Applicants for the remaining \$3,000 of loans have not yet met the conditions.**

**Program Fund**

To disburse the loans.	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
480100 Undelivered Orders - Unpaid	18,705 <sup>18</sup>		
490200 Delivered Orders - Obligations, Paid [Other]		18,705 <sup>19</sup>	A146
<b><u>Proprietary Entry</u></b>			
610000 (N) Operating Expenses/Program Costs [Basic & Modified Subsidy Expense]	18,705		
101000 (G) Fund Balance With Treasury		18,705	
310700 (G) Unexpended Appropriations - Appropriations Used	18,705		
570000 (G) Financing Sources from Appropriations		18,705	B134

<sup>17</sup> Although separate procedures would be involved to transfer the monies and to disburse the loans, they both should be performed simultaneously.

<sup>18</sup> \$87,000 in loans made x 21.5 percent subsidy = \$18,705.

<sup>19</sup> Per OMB Circular A-11, section 185.26, Just before a loan is disbursed from the financing account, pay the financing account and include the subsidy cost payment, Disbursements and reduce the amount of loans payable, Obligated balance, Undelivered orders, of the SF 133, Report on Budget Execution.

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**Financing Fund**

<b>To collect the subsidy</b>	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b> 427100 Actual Program Fund Subsidy Collected 422100 Unfilled Customer Orders Without Advance	18,705	18,705 <sup>20</sup>	C103
<b><u>Proprietary Entry</u></b> 101000 (G) Fund Balance With Treasury 139900 (N) Allowance for Subsidy	18,705	18,705 <sup>21</sup>	

<b>To disburse the loans.</b>	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b> 480100 Undelivered Orders - Unpaid 490200 Delivered Orders - Paid [Loans Made]	87,000	87,000	C408
<b><u>Proprietary Entry</u></b> 135000 (N) Loans Receivable 101000 (G) Fund Balance With Treasury	87,000	87,000	

<sup>20</sup> Per OMB Circular A-11, section 185.26. When subsidy cost payment is received from the program account, reduce line 3B2, Without advance from Federal sources, and increase line 1800, Collected.

<sup>21</sup> This allowance for "subsidized costs" reduces the gross loans receivable of \$87,000 to its present value of \$68,295 (\$87,000 x the 78.5 percent unsubsidized cost rate).

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**Collections from borrowers during the year were as follows:**

- **Application fees, \$480<sup>22</sup>**
- **Loan principal, \$10,000**
- **Loan interest, \$500**

**1-8a. To record unearned fees collected in the financing fund. \$80.00 in fees are unearned.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
426100 Actual Collection of Business-Type Fees	80		
406000 Anticipated Collections from Non-Federal Sources		80	C116
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	80		
232000 (N) Other Deferred Revenue		80	

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<sup>22</sup>Though all collections from federal sources are recorded together for purposes of the case, the application fees would probably be collected in conjunction with making the loans. They would normally be one of the conditions that applicants would have to meet. Some programs may collect fees from borrowers each year, in addition to principal and interest.

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**1-8b. To record the receipt of previously anticipated collections.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
426100 Actual Collection of Business-Type Fees	400		
426200 Actual Collection of Loan Principal	10,000		
426300 Actual Collection of Loan Interest	500		
406000 Anticipated Collections from Non-Federal Sources		10,900	C109
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	10,900		
139900 (N) Allowance for Subsidy		400	
135000 (N) Loans Receivable		10,000	
531200 <sup>23</sup> (N) Interest Revenue – Loans Receivable/ Uninvested Funds [Borrowers]		500	

**1-8c. To record anticipated resources as realized.**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
459000 Apportionments - Anticipated Resources - Program Subject to Apportionment	700		
461000 Allotments - Realized Resources		700	A122
<b><u>Proprietary Entry</u></b>			
None			

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<sup>23</sup> USSGL account 134100 would be hit if previously accrued

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**1-8d. To record fees as earned.**<sup>24</sup>

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 232000 (N) Other Deferred Revenue 139900 (N) Allowance for Subsidy	80	80	C118

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<sup>24</sup> This footnote corresponds to TC C118. Each agency may have a different way of recognizing when fees are earned. For example, some agencies may adjust at predetermined intervals such as the end of a month or other accounting period.

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**1-9. The collections received were paid to Fiscal Service. \$700 was for interest on the agency loan from Fiscal Service, and \$10,280 was for principal.<sup>25</sup>**

*1-9a To record principal repayments to the Fiscal Service.*

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority	10,280		
414600 <sup>26</sup> Actual Repayments of Debt, Current-Year Authority		10,280	B120
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to the Bureau of the Fiscal Service	10,280		
101000 (G) Fund Balance With Treasury		10,280	

<sup>25</sup>In a direct loan financing fund, offsetting collections other than basic subsidy from the program fund, which is used to make loans, is normally paid to Fiscal Service for interest and to reduce the loan principal. Exceptions are made when monies are needed for other purposes, such as to repair or maintain foreclosed property on defaulted loans, or Federal Financing Bank funded direct loans, which is not included in this guide.

Note that it is an OMB requirement that the repayment of principal to Treasury is a non-expenditure transaction (i.e. it does not count as obligations or outlays), whereas payment of interest on debt to Treasury is an expenditure transaction (it does count). Section 20.6, indicates that agencies should not record outlays for the repayment of debt principal, because borrowings and the repayment of debt principal are treated as a means of financing.

<sup>26</sup> If prior year authority was available, USSGL account 414700, Actual Repayments of Debt, Prior-Year Balances, would be used. In addition use USSGL account 404800, Anticipated Transfers to the General Fund of the U.S. Government – Prior-Year if you use USSGL account 414700, Actual Repayments of Debt, Prior-Year Balances,

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*1-9b To record payment of interest not previously accrued.<sup>27</sup>*

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments - Realized Resources	700		
490200 Delivered Orders - Obligations, Paid [Other]		700	B109
<b><u>Proprietary Entry</u></b>			
631000 (F) Interest Expenses on Borrowing From the Bureau of the Fiscal Service and/or the Federal Financing Bank	700		
101000 (G) Fund Balance With Treasury		700	

**1-10 After consultation and agreement with OMB, the agency decided to modify the terms of loans for some borrowers. Following the modification guidance provided in OMB’s circular A-11, Section 185, to determine the cost or savings of the modification action, this modification resulted in a decrease to the net present value cash flows, a cost in the amount of \$1,000.<sup>28</sup>**

**This \$1,000 is recorded as an obligation and increase of subsidy cost against the current fiscal year appropriated budgetary authority in the program fund. Modifications may be made only to the extent that budgetary authority for the additional cost has been provided in advance and is available in the program account.**

<sup>27</sup> “The example for illustrative purposes simplifies the transactions reflecting only the year-end payment without an accrual. However, it is standard government practice that agencies do accrue interest expense monthly, and the Federal Borrowings Branch (FBB) of the Dept. of Treasury records the corresponding interest revenue. The interest revenue accrual and the interest collected by the FBB in the Miscellaneous Receipt Fund are recorded by the FBB and not reflected on the agencies books and financial statements.”

<sup>28</sup> Before making the modifications, the agency must be certain that it has sufficient unobligated resources for subsidy in the program fund. In this case, the amount of unobligated resources, as represented by allotments related to the subsidy, amounted to \$6,450, (\$25,800 less \$19,350 from transaction 1-6).

**Because this \$1,000 had originally been apportioned for use in making new loans and was part of the calculation of available loan levels and required borrowing authority, the agency submitted a revised request for apportionment to reduce apportioned loan levels and increase the anticipated repayment of Treasury Debt. The authorized loan level was reduced from \$120,000 to \$115,349<sup>29</sup> In addition, the adjusted loan levels required only \$90,549<sup>30</sup> in borrowing authority. Based on the original estimates, \$92,630 of the original \$94,200 was executed and converted to cash.**

**In addition to calculating the cost or savings of any modifying action, the Agency must also calculate the Modification Adjustment Transfer (MAT). The MAT is designed to account for the disconnect between the discount rate used to calculate the cost of the modification and the interest rate at which the cohort pays or earns interest. The MAT corrects a resource imbalance in the financing account that would occur if only the change in subsidy cost was reflected in the transfer between the financing account and the general fund. The MAT can either be negative or positive. A negative MAT results in a transfer from the financing account to the general fund. A positive MAT results in a transfer from the general fund to the financing account in the form of a permanent appropriation. Using the modification adjustment transfer guidance in OMB Circular A-11 Section 185, the agency has determined the above modification has resulted in an upward modification adjustment transfer in the amount of \$5.**

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<sup>29</sup>The subsidy rate for Year 1 is 21.5%. The original subsidy authorized to support \$120,000 in loans was \$25,800. The remaining subsidy, after the modification, was \$24,800. This \$24,800 will support the making of only \$115,349 in new loans ( $\$24,800 / .215$ ).

<sup>30</sup>The loan level of \$115,349 is provided via subsidy of 21.5 percent (see previous footnote) and borrowing of 78.5 percent. The borrowing authority required to support \$115,349 of loans is \$90,549 (computed as  $\$115,349 \times .785$ , or as \$115,349 less the subsidy, computed in the preceding note, of \$24,800).

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<b>SF 132 Apportionment/Reapportionment Schedule</b>				
	<b>PROGRAM FUND</b>	<b>Original</b>	<b>Revised</b>	<b>Difference</b>
	<b>BUDGETARY RESOURCES</b>			
	<b>Budget authority:</b>			
	<b>Appropriations, discretionary:</b>			
1100	Appropriation	<u>30,800</u>	<u>30,800</u>	
1920	Total Budgetary Resources	<u>30,800</u>	<u>30,800</u>	
	<b>APPLICATION OF BUDGETARY RESOURCES</b>			
	<b>Category B (by project)</b>			
6011	Direct Loan Subsidy	25,800	24,800	(1,000)
6012	Modification Subsidy Cost		1,000	1,000
6013	Administrative Expense	<u>5,000</u>	<u>5,000</u>	
6190	Total Budgetary Resources Available	<u>30,800</u>	<u>30,800</u>	
	<b>FINANCING FUND</b>			
	<b>BUDGETARY RESOURCES</b>			
	<b>Budget authority:</b>			
	<b>Appropriations, discretionary:</b>			
1100	Loan Mod Adjustment Transfer Appropriation		5	5
1400	Borrowing authority	94,200	90,549	(3,651)
	<b>Spending authority from offsetting collections, mandatory:</b>			
1800	Collected		29,685	
1801	Change in uncollected payments, Federal sources		645	<u>645</u>
1822	Spending authority from offsetting collections permanently reduced	(11,300)	(5,676)	<u>(8,764)</u>
1825	Actual capital transfers and redemption of debt		(10,280)	<u>(10,280)</u>
1840	Offsetting Collections – Anticipated	37,800	7,470	<u>(30,330)</u>
1842	Anticipated capital transfers and redemption of debt	(11,300)	(2,025)	<u>9,275</u>
1920	Total Budgetary Resources	<u>120,700</u>	<u>116,049</u>	<u>4,651</u>
	<b>APPLICATION OF BUDGETARY RESOURCES</b>			
	<b>Category B (by project)</b>			
6011	Direct Loans	120,000	115,349	(4,651)
6014	Interest to Treasury	700	700	
6190	Total Budgetary Resources Available	<u>120,700</u>	<u>116,049</u>	<u>(4,651)</u>

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- *OMB Circular A-11, Section 185.20, Capital transfers and redemption of debt (line 1842) are not obligations and therefore do not need to be apportioned on line 8. However, you do need to plan for repayments and show your estimated debt repayments as a negative on line 1842 when you submit your SF 132.*
- *OMB Circular A-11, Section 185.19, for financing accounts, additional interest payment amounts to Treasury (i.e. amounts exceeding your estimate on the most recent approved apportionment) are automatically apportioned.*

The resulting revised request for apportionment, which OMB approved, is illustrated following the entries below.<sup>31</sup> When a direct loan is modified, the offsetting collection for the modification cost is used to reduce the debt owed to Treasury.

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<sup>31</sup>Note that the form is also updated for actual transactions, which have occurred, such that actual offsetting collections are shown on line 1800 and actual payments to the Bureau of the Fiscal Service are shown on line 1822.

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**Financing Fund**

***1-10a To record decreases to indefinite borrowing authority.<sup>32</sup>***

*(Record the reduction in borrowing authority from SF132).*

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority -	1,570		
414300 Current-Year Decreases to Indefinite Borrowing Authority		1,570	A148
<b><u>Proprietary Entry</u></b>			
None			

***10b To record anticipated nonexpenditure payments to Treasury. 33***

*(To record the increase to anticipated repayment of borrowings from SF132).*

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority -	3,086		
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority		3,086	A142
<b><u>Proprietary Entry</u></b>			
None			

<sup>32</sup> Note that the decrease in indefinite borrowing authority is not included in the modification entry. The decrease in indefinite borrowing authority is for year 1 in total.

<sup>33</sup> USSGL account 404800, Anticipated Transfers to the General Fund of the U.S. Government – Prior-Year may also be needed/used.

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*10c To record the reduction in apportionment to make loans from SF132.*

	DR	CR	TC
<b><u>Budgetary Entry</u></b> 461000 Allotments – Realized Resources 445000 Unapportioned Authority of the Treasury – Current Year Authority	3,651	3,651	XXX <sup>34</sup>
<b><u>Proprietary Entry</u></b> None			

*10d To record the anticipation of appropriation.* (from SF132)

	DR	CR	TC
<b><u>Budgetary Entry</u></b> 412000 Anticipated Indefinite Appropriations 445000 Unapportioned Authority	5	5	A102
445000 Unapportioned Authority 459000 Apportionments – Anticipated Resources Program Subject to Apportionment	5	5	A118
<b><u>Proprietary Entry</u></b> None			

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<sup>34</sup> This is a new TC and is currently not in USSGL Guidance for Section III.

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*10e To record the return of excess borrowing to Fiscal Service (as a result of the modification).*<sup>35</sup>

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority	2,081		
414200 Actual Repayment of Borrowing Authority Converted to Cash		2,081 <sup>36</sup>	B120
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to Treasury	2,081		
101000 (G) Fund Balance With Treasury		2,081	

<sup>35</sup> Amount of Borrowing Realized in excess of Borrowing required based upon reduced lending authority.

<sup>36</sup> If prior year authority was available, USSGL account 414700, Actual Repayments of Debt, Prior-Year Balances, would be used.

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**1-11 The agency modified the terms of the loans, as discussed in the previous transaction. The present value of these modifications decreased the present value of the loans by \$1,000, requiring additional subsidy from the program fund, which was transferred to the financing fund.**

*1-11a To record the payment of subsidy to financing fund.*

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments - Realized Resources	1,000		
490200 Delivered Orders - Obligations, Paid [Other]		1,000	B106
<b><u>Proprietary Entry</u></b>			
610000 (N) Operating Expenses/Program Cost [Basic and Modified Subsidy Expense]	1,000		
101000 (G) Fund Balance With Treasury		1,000	
310700 (G) Unexpended Appropriations - Appropriations Used	1,000		
570000 (G) Financing Sources from Appropriations		1,000	B134

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*1-11b To record the collection of subsidy for loan modification costs in the financing fund.*

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
427100 Actual Program Fund Subsidy Collected of the Treasury – Current Year Authority	1,000		
407000 Anticipated Collections from Federal Sources		1,000	C103
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance with Treasury	1,000		
139900 (N) Allowance for Subsidy		1,000 <sup>37</sup>	

The \$1,000 of collections for the subsidy modifications will be used to repay principal on the debt to Fiscal Service.

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<sup>37</sup>Note that the effect of this is to decrease the present value of the loans receivable by \$1,000.

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***1-11c*** The modification approved and executed in previous transactions was deemed to require a positive modification adjustment transfer. The MAT is designed to account for the disconnect between the discount rate used to calculate the cost of the modification and the interest rate at which the cohort pays or earns interest. If the MAT is negative, the amount should be transferred from the financing account to the general fund. A negative MAT (not reflected below) would result in a capital transfer and debits to USSGL accounts 579100 Adjustment to Financing Sources , 139900, Allowance for Subsidy, and 404700, Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority, and credits to USSGL accounts 101000, Fund Balance With Treasury, 719000, Other Gains, and 415100, Actual Capital Transfers to the General Fund of the U.S. Government, Current-Year Authority, in the financing fund. If the MAT is positive then the amount would be recorded as a permanent appropriation from the General Fund for the amount of the modification (as reflected in this example).

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 729000 (N) Other Losses 579100 (F) Adjustment to Financing Sources – Credit Reform	5	5	A206

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**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
412500 Loan Modification Adjustment Transfer Appropriation	5		
412000 Anticipated Indefinite Appropriations		5	A202
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	5		
310100 (G) Unexpended Appropriations		5	
310700 (G) Unexpended Appropriations Used	5		
570000 (G) Expended Appropriations		5	B134
579100 (F) Adjustment to Financing Sources – Credit Reform	5		
139900(N) Allowance for Subsidy		5	A204

DRAFT

**1-12 To record principal repayments to Fiscal Service via nonexpenditure transfer that was previously anticipated.**<sup>38 39</sup>

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
404700 Anticipated Transfers to the General Fund of the U.S. Government- Current-Year Authority	1,005		
414600 Actual Repayments of Debt, Current-Year Authority		1,005	B120
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to the Bureau of the Fiscal Service	1,005		
101000 (G) Fund Balance With Treasury		1,005	

*Note: Although separated for ease of illustration in the case, transactions 1-10 through 1-12 should occur simultaneously*

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<sup>38</sup> Offsetting Collection from Modification.

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**1-13 Treasury credited \$15 to the financing fund for interest the fund earned on its unused Fund Balance with Treasury during the year.**

**To record receipt of previously anticipated collections.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
427300 Interest Collected from Treasury	15		
445000 Unapportioned Authority		15	C109
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	15		
531200 (F) Interest Revenue - Loans Receivable/Uninvested Funds [Treasury]		15	

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**1-14 The interest collected from Fiscal Service was used to pay principal on the agency's loan from Fiscal Service.**

To record principal repayment to the Fiscal Service via nonexpenditure transfers that was previously anticipated.

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority	15		
414600 Actual Repayments of Debt, Current-Year Authority		15	B120
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to the Bureau of the Fiscal Service	15		
101000 (G) Fund Balance With Treasury		15	

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**1-15. Interest of \$55 was accrued as receivable on the loans. Of that, \$5 was related to loans, which were still performing.**<sup>40</sup>

**Financing Fund**<sup>41</sup>

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 134100 (N) Interest Receivable – Loans [Accrued] 531200 (N) Interest Revenue – Loans Receivable/ Uninvested Funds [Borrowers]	55	55	C420

<sup>40</sup>This footnote corresponds to TC C420. Agencies establish their own criteria for when notes are not “performing”—i.e., when borrowers are considered to no longer be paying on their loan principal and interest, at which point the loans may be sent to Treasury or the Justice Department for collection.

<sup>41</sup>Note that there is no budgetary entry here. This is because receivables from the public are generally not recognized in the Federal Budget until they are collected.

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**1-16. The allowance for subsidy was amortized.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 139900 (N) Allowance for Subsidy 531300 (N) Interest Revenue – Subsidy Amortization	130 <sup>42</sup>	130	E118

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<sup>42</sup>Interest expense, \$700, less interest income, \$570, = amount to amortize, \$130. This entry can be either debited or credited based upon the interest income or interest expense.

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**1-17. As no further loans were disbursed during the year, the unneeded monies borrowed from Treasury were returned.**<sup>43</sup>

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments Realized Resources	19,899		
414200 Actual Repayment of Borrowing Authority Converted to Cash		19,899 <sup>44</sup>	B120
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to the Bureau of the Fiscal Service	19,899		
101000 (G) Fund Balance With Treasury		19,899	

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<sup>43</sup> This footnote corresponds to TC B120. This entry would not be applicable, if an agency does not borrow all of its authority at the beginning of the year. Instead the agency would post a debit to 445000, Unapportioned Authority and a credit to 414300, Decreases to Indefinite Borrowing Authority. (A148)

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**1-18. The agency determined that \$10 of loan principal and \$20 of loan interest could not be collected, and wrote the receivables off.** <sup>45</sup>

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 139900 (N) Allowance for Subsidy 134100 (N) Interest Receivable - Loans 135000 (N) Loans Receivable	30	20 10	D414

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<sup>45</sup>This footnote corresponds to TC D414. This determination of uncollectibility would be made only after attempting to collect the receivables under provisions of the Federal Debt Collection Act.

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**1-19. Subsidy analysis at year-end indicated that an additional subsidy of \$440 was needed. The “technical” re-estimate (including interest on the re-estimate) was \$435, and the interest rate re-estimate was \$5.<sup>46</sup>**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 680000 (N) Future Funded Expenses [Re-estimated Subsidy Expense] 217000 (F) Subsidy Payable to Financing Account	440	440	B420

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<sup>46</sup>This footnote corresponds to TC B420 and C438. The concepts underlying these re-estimates are discussed in SFFAS No. 18, *Amendments to Accounting Standards for Direct Loans and Loan Guarantees in SFFAS No. 2*. Note that there are no budgetary entries made, because, in accordance with the Federal Credit Reform Act, the budget will not recognize this transaction until Year 2. Per OMB Circular A-11, Section 185.2, Interest rate reestimates adjust for the effect on the subsidy of differences between actual interest rates and the discount rates assumed when estimates were made for budget formulation and obligation. These reestimates must be made when the cohort is at least 90 percent disbursed. Technical reestimates adjust for revised assumptions about loan performances, such as differences between assumed and actual default rates or new projections of prepayments. See Appendix 2 for downward reestimates.

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**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 131000 (N) Accounts Receivable 139900 (N) Allowance for Subsidy	440	440	C438

**1-20 Accrued interest of \$30 was capitalized (converted to principal) on outstanding loans.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 135000 (N) Loans Receivable 134100 (N) Interest Receivable - Loans	30	30	C409

**PRECLOSING ENTRIES**

**Financing Fund**

To close anticipated resources<sup>47</sup>

To record adjustments for anticipated resources not realized.	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority	6,470		
459000 Apportionments – Anticipated Resources Program Subject to Apportionment	6,455		
406000 Anticipated Collections from Non-Federal Sources		1,020	
407000 Anticipated Collections from Federal Sources		5,450	
445000 Unapportioned Authority		6,455	F112
<b><u>Proprietary Entry</u></b>			
None			

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<sup>47</sup>USSGL account 459000 is zero before closing, and hence is not in this closing entry. Note, however, that if it had a balance, it would also be debited for that balance in the entry.

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To record adjustments for anticipated reductions not realized.	DR	CR	TC
<p><b><u>Budgetary Entry</u></b>            404700 Anticipated Transfers to the General Fund of the                U.S. Government – Current-Year            445000 Unapportioned Authority</p> <p><b><u>Proprietary Entry</u></b>            None</p>	<p>1,005</p>	<p>1,005</p>	<p>F114</p>

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<b>Preclosing Adjusted Trial Balance</b>		
	<b>Program Fund Debit/Credit</b>	<b>Financing Fund Debit/Credit</b>
<b><u>Accounts</u></b>		
<b><u>Budgetary</u></b>		
404700 Anticipated Transfers to the General Fund of the Treasury U.S. Government - Current- Year Authority		
406000 Anticipated Collections from Non-Federal Sources		
407000 Anticipated Collections from Federal Sources		
411500 Loan Subsidy Appropriation	25,800	
411700 Loan Administrative Expense Appropriation	5,000	
412500 Loan Modification Adjustment Transfer Appropriation		5
414100 Current-Year Borrowing Authority Realized		94,200
414200 Actual Repayment of Borrowing Authority Converted to Cash		(21,980)
414300 Current-Year Decreases to Indefinite Borrowing Authority Realized		(1,570)
414500 Borrowing Authority Converted to Cash		(92,630)
414600 Actual Repayments of Debt, Current-Year Authority		(11,300)
414800 Resources Realized From Borrowing Authority		92,630
422100 Unfilled Customer Orders Without Advance		645
426100 Actual Collections of Business-Type Fees		480
426200 Actual Collections of Loan Principal		10,000
426300 Actual Collections of Loan Interest		500
427100 Actual Program Fund Subsidy Collected		19,705
427300 Interest Collected From Treasury		15
445000 Unapportioned Authority		
459000 Apportionments - Anticipated Resources - Programs Subject to Apportionment		
461000 Allotments - Realized Resources	(5,500)	-
480100 Undelivered Orders - Obligations, Unpaid	(645)	(3,000)
490200 Delivered Orders - Obligations, Paid [Loans Made]		(87,000)
490200 Delivered Orders - Obligations, Paid [Re-est. Sub and Int]		
490200 Delivered Orders - Obligations, Paid [Other]	(24,655)	(700)
<b>Total</b>	<b>0</b>	<b>0</b>

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Preclosing Adjusted Trial Balance (Continued)		
<b>Proprietary</b>		
101000 (G) Fund Balance With Treasury	6,145	2,355
131000 (N) Accounts Receivable (Subsidy Recv.)		440
134100 (N) Interest Receivable - Loans		5
135000 (N) Loans Receivable		77,020
139900 (N) Allowance for Subsidy		(20,470)
217000 (F) Subsidy Payable to the Financing Account	(440)	
251000 (F) Principal Payable to the Bureau of the Fiscal Service		(59,350)
310100 (G) Unexpended Appropriations - Appropriations Received	(30,800)	(5)
310700 (G) Unexpended Appropriations - Used	24,655	5
531200 (N) Interest Revenue - Loans Receivable/Uninvested Funds (Borrowers)		(555)
531200 (F) Interest Revenue - Loans Receivable/Uninvested Funds (Treasury)		(15)
531300 (N) Interest Revenue - Subsidy Amortization (Int. on PV Assets)		(130)
570000 (G) Expended Appropriations	(24,655)	(5)
579100 (F) Adjustment to Financing Resources – Credit Reform.	(5)	(5)
610000 (N) Operating Expenses/Program Costs (Admin.)	4,000	
610000 (F) Operating Expenses/Program Costs (Admin.)	950	
610000 (N) Operating Expenses/Program Costs (Subsidy)	19,705	
631000 (F) Interest Expenses on Borrowing from the Bureau of the Fiscal Service and/or the Federal Financing Bank		700
680000 (N) Future Funded Expenses (Subs. Reest.)	440	
729000 (N) Other Losses	5	
<b>Total</b>	<b>0</b>	<b>0</b>

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**CLOSING ENTRIES**

**1-21 Closing entries were made.**

**Program Fund**

To consolidate net cash resources.	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
490200 Delivered Orders - Obligations, Paid [Other]	24,655		
420100 Total Actual Resources – Collected	6,145		
411500 Loan Subsidy Appropriation		25,800	F302
411700 Loan Administrative Expense Appropriation		5,000	F314
<b><u>Proprietary Entry</u></b>			
None			

To close the unobligated authority.	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
461000 Allotments - Realized Resources	5,500		
465000 Allotments - Expired Authority		5,500	F312
<b><u>Proprietary Entry</u></b>			
None			

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**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
To close financing sources and expenses.			
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 570000 (G) Financing Sources from Appropriations Used	24,655		
331000 Cumulative Results of Operations	440		
610000 (N) Operating Expense/Program Costs [Administrative Expenses]		4,000	
610000 (F) Operating Expense/Program Costs [Administrative Expenses]		950	
610000 (N) Operating Expense/Program Costs [Basic and Modified Subsidy Expense]		19,705	
680000 (N) Future Funded Expenses [Re-estimated Subsidy Expense]		440	F336

	<b>DR</b>	<b>CR</b>	<b>TC</b>
To consolidate unexpended appropriations.			
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 310100 (G) Unexpended Appropriations - Appropriations Received	30,800		
310000 (G) Unexpended Appropriations – Cumulative		6,145	
310700 (G) Unexpended Appropriations - Appropriations Used		24,655	F342

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**Financing Fund**

To consolidate obligated borrowing authority carried forward <sup>48</sup>	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
414300 Current-Year Decreases to Indefinite Borrowing Authority	1,570		
414500 Borrowing Authority Converted to Cash			
414100 Current-Year Borrowing Authority Realized	92,630	94,200	F306
<b><u>Proprietary Entry</u></b>			
None			

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<sup>48</sup>Note that there is no borrowing authority carried forward, because the entire amount of net borrowing authority (account 414100, \$78,000, less account 414300, \$7,850, or \$70,650) was used to borrow money from Treasury, as shown by account 414500, which is \$70,650.

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To consolidate net cash resources.	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
490200 Delivered Orders - Paid [Loans Made]	87,000		
490200 Delivered Orders - Obligations, Paid [Other]	700		
414200 Actual Repayment of Borrowing Authority Converted to Cash	21,980		
414600 Actual Repayments of Debt, Current-Year Authority	11,300		
420100 Total Actual Resources – Collected	2,355	5	
412500 Loan Modification Adjustment Transfer Appropriation		92,630	
414800 Resources Realized from Borrowing Authority			
426100 Actual Collection of Fees		480	
426200 Actual Collection of Loan Principal		10,000	
426300 Actual Collection of Loan Interest		500	
427100 Actual Program Fund Subsidy Collected		19,705	F302
427300 Interest Collected from Treasury		15	F314
<b><u>Proprietary Entry</u></b>			
None			

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**Financing Fund**

To close financing sources and expenses <sup>49</sup>	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
531200 (N) Interest Revenue – Loans Receivable/Uninvested Funds [Borrowers]	555		
531200 (F) Interest Revenue – Loans Receivable/Uninvested Funds [Treasury]	15		
579100 (F) Adjustment to Financing Sources	5		
531300 (N) Interest Revenue - Subsidy Amortization [Administrative Expense]	130		
631000 (F) Interest Expenses on Borrowing from the Bureau of the Fiscal Service and/or the Federal Financing Bank		700	F336
729000 (N) Other Losses		5	F340

<sup>49</sup>Note that cumulative results of operations from this activity are zero. The financing fund cannot have a net position after closing. Assets must equal liabilities.

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<b>Post-Closing Adjusted Trial Balance</b>		
	<b>Program Fund Debit/Credit</b>	<b>Financing Fund Debit/Credit</b>
<b><u>Accounts</u></b>		
<b><u>Budgetary</u></b>		
404700 Anticipated Transfers to the General Fund of the U.S. Government - Current-Year Authority		
406000 Anticipated Collections from Non-Federal Sources		
407000 Anticipated Collections from Federal Sources		
411500 Loan Subsidy Appropriation		
411700 Loan Administrative Expense Appropriation		
411800 Reestimated Loan Subsidy Appropriation		
412500 Loan Modification Adjustment Transfer Appropriation		
414100 Current-Year Borrowing Authority Realized		
414200 Actual Repayment of Borrowing Authority Converted to Cash		
414300 Current-Year Decreases to Indefinite Borrowing Authority Realized		
414500 Borrowing Authority Converted to Cash		
414600 Actual Repayments of Debt, Current-Year Authority		
414800 Resources Realized From Borrowing Authority		
420100 Total Actual Resources - Collected	6145	2,355
422100 Unfilled Customer Orders Without Advance		645
426100 Actual Collections of Business-Type Fees		
426200 Actual Collections of Loan Principal		
426300 Actual Collections of Loan Interest		
427100 Actual Program Fund Subsidy Collected		
427300 Interest Collected From Treasury		
445000 Unapportioned Authority		
459000 Apportionments - Anticipated Resources - Programs Subject to Apportionment		-
461000 Allotments - Realized Resources		
465000 Allotments - Expired Authority	(5,500)	-
480100 Undelivered Orders - Obligations, Unpaid	(645)	(3,000)
490200 Delivered Orders - Obligations, Paid [Loans Made]		
490200 Delivered Orders - Obligations, Paid [Re-est. Sub and Int]		

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490200 Delivered Orders - Obligations, Paid [Other]		
<b>Total</b>	<b>0</b>	<b>0</b>
<b>Post-Closing Adjusted Trial Balance (Continued)</b>		
<b>Proprietary</b>		
101000 (G) Fund Balance With Treasury	6,145	2,355
131000 (N) Accounts Receivable (Subsidy Recv.)		440
134100 (N) Interest Receivable - Loans		5
135000 (N) Loans Receivable		77,020
139900 (N) Allowance for Subsidy		(20,470)
217000 (F) Subsidy Payable to the Financing Account	(440)	
251000 (F) Principal Payable to the Bureau of the Fiscal Service		(59,350)
310000 Unexpended Appropriations - Cumulative	(6,145)	
310100 (G) Unexpended Appropriations - Appropriations Received		
310700 (G) Unexpended Appropriations - Used		
331000 Cumulative Results of Operations	(440)	
531200 (N) Interest Revenue - Loans Receivable/Uninvested Funds (Borrowers)		
531200 (F) Interest Revenue - Loans Receivable/Uninvested Funds (Treasury)		
531300 Interest Revenue - Subsidy Amortization (Int. on PV Assets)		
570000 (G) Expended Appropriations		
610000 (N) Operating Expenses/Program Costs (Admin.)		
610000 (F) Operating Expenses/Program Costs (Admin.)		
610000 (N) Operating Expenses/Program Costs (Basic and Mod. Subsidy)		
631000 (F) Interest Expenses on Borrowing from the Bureau of the Fiscal Service and/or the Federal Financing Bank		
680000 (N) Future Funded Expenses (Subs. Reest.)		
<b>Total</b>	<b>0</b>	<b>0</b>

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**FINANCIAL STATEMENTS<sup>50</sup>**

**Direct Loan Agency  
 Balance Sheet  
 September 30, FY-1**

BALANCE SHEET					
		Program Fund	Elim	Financing Fund	Total
	<b>Assets:</b>				
	Intragovernmental				
1.	Fund Balance With Treasury (101000E)	6,145		2,355	8,500
3.	Accounts Receivable (131000E)		(440)	440	
6.	Total Intragovernmental (calc.)	6,145	(440)	2,795	8,500
11.	Direct Loan and Loan Guarantees, Net (134100E, 135000E, 139900E)			56,555	56,555
15.	Total Assets (calc.)	<u>6,145</u>	<u>(440)</u>	<u>59,350</u>	<u>65,055</u>
	<b>Liabilities:</b>				
17.	Accounts Payable (217000E)	440	(440)		
18.	Debt (251000E)			59,350	59,350
20.	Total Intragovernmental	440	(440)		
28.	Total Liabilities (calc.)	440	(440)	59,350	59,350
	<b>Net Position:</b>				
31.	Unexpended Appropriations - All Other Funds (310100E, 310700E)	6,145			6,145
33.	Cumulative Results of Operations - All Other Funds (531200E, 570000, 579100, 610000E, 634000E, 680000E, 729000E)	(440)			(440)
35.	Total Net Position - All Other Funds (calc.)	5,705			5,705
36.	Total Net Position (calc.)	5,705			5,705
37.	Total Liabilities and Net Position (calc.)	<u>6,145</u>	<u>(440)</u>	<u>59,350</u>	<u>65,055</u>

<sup>50</sup> Statements updated as of USSGL TFM Bulletin No. 2017-01.

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**Direct Loan Agency**  
**For Fiscal Year Ended September 30, FY-1**

STATEMENT OF NET COST			
	Program Fund	Financing Fund	Total
<b>Gross Program Costs:</b>			
1 Gross costs (610000E, 631000E, 680000E, 729000E)	25,095	705	25,800
2 Less: Earned Revenues (531200E, 531300E)		700	700
3 Net program costs (calc. 1-2)	25,095	5	25,100
8 Net cost of operations (calc. 5+6-7)	25,095	5	25,100

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**Direct Loan Agency  
 For Fiscal Year Ended September 30, FY-1**

STATEMENT OF CHANGES IN NET POSITION							
		Program Fund		Financing Fund <sup>51</sup>		Total	
		Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations
	<b>Cumulative Results of Operations:</b>						
	<b>Budgetary Financing Sources:</b>						
5.	Appropriations Used (570000E)	24,655				24,665	
14.	Total Financing Sources	24,665				24,665	
15.	Net Cost of Operations (+/-)	25,095				25,095	
16.	Net Change (calc. 14-15)	<u>(440)</u>				<u>(440)</u>	
17.	<b>Cumulative Results of Operations (calc. 3+16)</b>	<u>(440)</u>				<u>(440)</u>	
	<b>Unexpended Appropriations:</b>						
	<b>Budgetary Financing Sources:</b>						

<sup>51</sup>Note that the column for unexpended appropriations would normally not be applicable, because the financing fund does not have appropriations. However, positive modification adjustment transfers are indefinite appropriated funding.

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21.	Appropriations Received (310100E)		30,800			<u>30,800</u>	
24.	Appropriations Used (310700E)		<u>(24,655)</u>				<u>(24,665)</u>
25.	Total Budgetary Financing Sources (calc. 21..24)		<u>6,145</u>				<u>6,145</u>
26.	Total Unexpended Appropriations (calc. 20 + 25)		<u>6,145</u>				<u>6,145</u>
27.	<b>Net Position (calc. 17 + 26)</b>	<u>(440)</u>	<u>5,705</u>			(440)	<u>5,705</u>

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**Direct Loan Agency  
 For Fiscal Year Ended September 30, FY-1**

<b>STATEMENT OF BUDGETARY RESOURCES</b>				
		<b>Budgetary</b>	<b>Non-Budgetary Financing Account</b>	<b>Total</b>
	<b>Budgetary Resources:</b>			
1290	Appropriations (discretionary and mandatory) (411500E, 411700E, 4125000E)	30,800	5	30,805
1490	Borrowing Authority (discretionary and mandatory) (414100E, 414200E, 414300E, 414600E)		59,350	59,350
1890	Spending authority from offsetting collections (discretionary and mandatory) ((426100E,426200E, 426300E,427100,427300,422100E-422100B))		31,345	31,345
1910	Total budgetary resources	<u>\$30,800</u>	<u>\$90,700</u>	<u>\$121,500</u>
	<b>Status of Budgetary Resources:</b>			
2190	New obligations and upward adjustments (total) (480100E-480100B, 490200E)	25,300	90,700	30,740

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<b>STATEMENT OF BUDGETARY RESOURCES</b>				
	<b>Unobligated balance, end of year:</b>			
2204	Apportioned, unexpired account (461000E)	5,500		5,500
2404	Unapportioned, unexpired accounts (445000E)		-	-
2500	Total budgetary resources	<u>\$30,800</u>	<u>\$90,700</u>	<u>\$121,500</u>
	<b>Change in obligated balance</b>			
3012	New obligations and upward adjustments(total) (480100E-480100B, 490200E)	25,300	90,700	116,000
3020	Outlays (gross) (-) (490200E)	(24,655)	(87,700)	(112,355)
3050	Unpaid obligations, end of year (480100E-480100B)	645	3,000	3,645
3072	Change in uncollected pymts, Fed Sources (422100E - 422100B)		(645)	(645)
3090	Uncollected pymts, Fed sources, end of year (-) (422100E)		(645)	(645)

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<b>STATEMENT OF BUDGETARY RESOURCES</b>				
	<b>Memorandum (non add) entries</b>			
3200	Obligated balance, end of year (+ or -)	25,945	93,055	118,000
	<b>Budget Authority and Outlays, Net:</b>			
4175	Budget authority, gross (discretionary and mandatory)	30,800	90,700	121,500
4177	Change in uncollected, pymts, Fed sources (discretionary and mandatory) (+ or -)		(645)	(645)
4180	Budget authority, net (total) (discretionary and mandatory)	<u>30,800</u>	<u>90,055</u>	<u>26,510</u>
4185	Outlays, gross (discretionary and mandatory)	24,655	87,700	112,355
4187	Actual offsetting collections (discretionary and mandatory) (-)		<u>30,700</u>	<u>30,700</u>
4190	Outlays, net (total) (discretionary and mandatory)	24,655	118,400	143,055

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**Direct Loan Agency  
 For Fiscal Year Ended September 30, FY-1**

<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;                      Budget Program and Financing Schedule (Schedule P)                      ACTUAL COLUMN FOR YEAR 1 REPORTING</b>				
	Program Fund		Financing Fund	
	SF133 Line	Sch P Line	SF133 Line	Sch P Line
<b>BUDGETARY RESOURCES</b>				
<b>All accounts:</b>				
0703 Direct Loan Subsidy		19,350		
0705 Direct Loan Modification Subsidy Costs		1,000		
0709 Administrative Expenses		4,950		
0711 Default Claim Payments on Principal				3,500
0715 Interest Supplement				1,940
0900 Total new obligations (490200E)		25,300		5,440
<b>Unobligated balance:</b>				
1000 Unobligated balance brought forward, October 1			-	-
<b>Budget Authority:</b>				
<b>Appropriations:</b>				
<b>Discretionary:</b>				
1100 Appropriation Discretionary (411500E, 411700E)	30,800	30,800		
1160 Appropriation - Discretionary (total)	30,800	30,800		

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;  Budget Program and Financing Schedule (Schedule P)  ACTUAL COLUMN FOR YEAR 1 REPORTING</b>				
<b>Mandatory:</b>				
1200 Appropriation (412500E)			5	5
1236 Appropriations applied to repay debt (-) 414600E)			(5)	(5)
1260 Appropriation - Mandatory (total)			-	-
1400 Borrowing authority (414100E, 414300E)			92,630	92,630
1421 Borrowing authority applied to repay debt (mand.)			(22,890)	(22,890)
1440 Borrowing authority total			69,650	69,650
<b>Spending Authority from Offsetting Collections:</b>				
<b>Mandatory:</b>				
1800 Collected (426100E,426200E,426300E,427100E,427300E)			21,585	21,585
1801 Change in uncollected payments, Federal sources (+ or -) (422100E)			645	645
1825 Appropriation applied to repay debt (-) (414600E)			(10,295)	(10,295)
1850 Spending authority from offsetting collections, mandatory (total)			21,050	21,050
1900 Budget authority total (disc. and mandatory)	30,800	30,800	90,700	90,700
1910 Total budgetary resources discretionary and mandatory)	30,800		90,700	
1930 Total budgetary resources available		30,800		90,700
<b>Memorandum (non-add) entries:</b>				
<b>Unobligated Balance</b>				
1940 Unobligated balance expiring (-) (465000E)		1,200		
1941 Unexpired unobligated balance, end of year (445000E, 461000E)				16,800
<b>STATUS OF BUDGETARY RESOURCES</b>				
<b>Obligations incurred:</b>				
<b>Direct:</b>				
2002 Category B (by project) (480100E, 490200E)	25,300		90,700	
2004 Direct obligations (total)	25,300		90,700	
Unobligated balance				

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<b>Appportioned</b>				
2201 Available in current period (461000E)	5,500		-	
2403 Other (445000E)				
2500 Total budgetary resources. This line is calculated. Equal sum of lines 2001 through 2403. This amount equals the amount on line 1910 of the Schedule of Budgetary Resources.	30,800		90,700	
<b>CHANGE IN OBLIGATED BALANCE</b>				
<b>Unpaid obligations:</b>				
3000 Unpaid obligations, brought forward, Oct 1			-	-

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;  Budget Program and Financing Schedule (Schedule P)  ACTUAL COLUMN FOR YEAR 1 REPORTING</b>				
3001 Adjustment to unpaid obligations, brought forward, Oct 1 (+ or -) (480100E)	(645)	(645)	(3,000)	(3,000)
3010 New Obligations, unexpired accounts (480100E – 480100B, 490200E)	25,300	25,300	90,700	90,700
3020 Outlays (gross) (-) (490200E)	(24,655)	(24,655)	(87,700)	(87,700)
3050 Unpaid obligations, end of year (480100E)	645	645	3,000	3,000
3061 Adjustment to uncollected pymts, Fed sources, brought forward, Oct 1 (+ or -) (422100E)			(645)	(645)
3070 Change in uncollected pymts, Fed sources, unexpired accounts (+ or -) (422100E)			645	645
3090 Uncollected pymts, Fed sources, end of year (-) (422100E)			(645)	(645)
<b>Memorandum (non-add) entries:</b>				
3100 Obligated balance, start of year (+ or -) This line is calculated. Equals the sum of lines 3000, 3001, 3060, and 3061.	645	645	2,355	2,355
3200 Obligated balance, end of year (+ or -) This line is calculated. Equals the sum of detailed obligated balance lines 3000, 3001, 3010, 3011, 3020, 3030, 3031, 3040, 3041, 3060, 3061, 3070, 3071, 3080, and 3081. Also equals sum of lines 3050 and 3090. (422100E)	645	645	2,355	2,355
<b>BUDGET AUTHORITY AND OUTLAYS, NET</b>				
<b>Discretionary:</b>				
<b>Gross budget authority and outlays:</b>				
4000 Budget authority, gross (411500E, 411700E)	30,800	30,800		
4010 Outlays from new discretionary authority (480200E)	24,655	24,655		
4020 Outlays, gross (total)	24,655	24,655		
4070 Budget authority, net (discretionary)	30,800	30,800		
4080 Outlays, net (discretionary)	24,655	24,655		

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;  Budget Program and Financing Schedule (Schedule P)  ACTUAL COLUMN FOR YEAR 1 REPORTING</b>				
<b>Mandatory:</b>				
<b>Gross budget authority and outlays:</b>				
4090 Budget authority, gross (This line is calculated. Equals the sum of mandatory budget authority [Lines 1200 through 1252, 1270 through 1273, 1400 through 1430, 1600 through 1631, and 1800 through 1842 (SF 133). Lines 1200 through 1239, 1270 through 1273, 1400 through 1420, 1600 through 1622, and 1800 through 1827 (Sch P)].)			90,700	90,700
4110 Total outlays, gross (480200E)			87,700	87,700
4120 Federal sources (-) (427100E)			(19,705)	(19,705)
4122 Interest on uninvested funds (-) (427300E)			(15)	(15)
4123 Non-Federal sources (-) (426100E, 426200E, 426300E)			(10,980)	(10,980)
4130 Offsets against gross budget authority and outlays (total) (-)			(30,700)	(30,700)
4140 Change in uncollected pymts, Fed sources, unexpired accounts(+/-) (422100E)			(645)	(645)
4150 Additional offsets against budget authority only (total)			(645)	(645)
4160 Budget authority, net (mandatory) (This line is calculated. Equals the total new budget authority (gross) on line 4090 plus the amounts on lines 4120 through 4124 and on lines 4140, 4141 and 4143 (SF 133). Line 4090 plus the amounts on lines 4120 through 4124 and on lines 4140 and 4142 (Sch P).)			59,355	59,355
4170 Outlays, net (mandatory) (This line is calculated. Equals line 4110 plus the amounts on lines 4120 through 4124.)			57,000	57,000
4180 Budget authority, net (discretionary and mandatory) (This line is calculated. Equals sum of lines 4070 and 4160.)	30,800	30,800	59,355	59,355
4190 Outlays, net (discretionary and mandatory) (This line is calculated. Equals sum of lines 4080 and 4170.)	24,655	24,655	57,000	57,000

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**Direct Loan Agency  
 September 30, FY-1**

<b>Note 8: Credit Program Note<sup>52</sup></b>	
<b>2C. Composition of Credit Program Assets</b>	
Loans Receivable (135000E)	77,020
Interest Receivable (134100E)	5
Gross Credit Program Assets	77,025
Less Allowance for Subsidy (139900E)	<u>(20,470)</u>
Value of Assets Related to Direct Loans	<u>\$56,555</u>
<b>D. Loans disbursed, (490200E)</b>	<b>\$87,000</b>
<b>E. Composition of Subsidy Expense (direct loans disbursed in Year 1)</b>	
<i>Basic Subsidy:</i>	
Defaults	<u>\$17,400</u>
Interest Differential	<u>\$1,740</u>
Fees	<u>(435)</u>
Total	<u>\$18,705</u>
<i>Subsidy Modifications</i>	1,000
<i>Subsidy Re-estimates:</i>	
Technical	\$435
Interest Rate	<u>5</u>
	440
Total Subsidy Expense	<u>\$20,145</u>
<b>F. Composition of Subsidy Rate<sup>53</sup></b>	
Component	Percent
Defaults	20.0
Interest differential	2.0
Fees	<u>(0.5)</u>
Total	<u>21.5</u>
Interest rate differential, 2%; defaults, 20%; fees -5%; total 21.5% (all from	

<sup>52</sup>The information presented here is for the applicable sections of note 8 in OMB's Circular A-136, *Financial Reporting Requirements*, for direct loan programs, which can be quantified. Narrative information, which is also required, is not presented. The information is displayed as simple as possible for ease of reading. Agencies can format the information with more elaborate template if they wish.

<sup>53</sup>This information would be obtained from the subsidy model rather than from account balances.

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budget model)	
<b>G. Reconciliation of Beginning and Ending Balances of Allowance for Subsidized Costs</b> <sup>54</sup>	
Balance October 1	\$0
Basic Subsidy Expense (Section E)	18,705
Adjustments:	
Subsidy for Loan Modifications (Section E)	1,000
Modification Transfer	5
Fees Received	480
Loans and Interest Written Off	(30)
Amortization to Interest	(130)
Total	<u>1,325</u>
Balance September 30 Before Re-estimate	20,030
Subsidy Re-estimate (Section E)	<u>440</u>
Balance September 30 After Re-estimate	<u>\$20,470</u>
<b>O. Admin. Exp., Direct Loan Programs, (610000E Admin)</b>	<u>\$4,950</u> <sup>55</sup>

<sup>54</sup>The information called for contains a repeat of the detail in Section E. The illustration provided here summarizes the information rather than repeating the detail. Agencies may repeat the detail if they wish, using the crosswalks for related parts of Section E.

<sup>55</sup>Since the agency operates only a direct loan program, and the administrative expense is already set forth in the statement of net cost, Section O could be omitted in the case

## YEAR 2

In fiscal year 1, an upward adjustment of subsidy expense was accrued, in accordance with the requirements of SFFAS No. 2, *Accounting for Direct Loans and Loan Guarantees*. Although the expense was recognized in fiscal year 1, the year to which it applies, the Credit Reform Act specifies that budgetary resources to fund it are not provided until the following year--fiscal year 2. This section provides journal entries to obtain and apply those budgetary resources in fiscal year 2, and the related reporting at year-end

During fiscal year 2, there would be transactions for a new cohort of loans, and accounting would need to be separated between the two. However, the basic transactions would be the same for the second cohort as was already illustrated for fiscal year 1 for the first cohort. Transactions for cohort 1 would be similar, except that no new loans would be made. Rather, loans obligated, but not disbursed at the end of fiscal year 1 would be disbursed, and transactions subsequent to disbursement would be basically the same as already illustrated for fiscal year 1. The transactions illustrated for this year are limited to those relating to the disposition of the upward subsidy re-estimate accrued at the end of the preceding year.

### TRANSACTIONS – YEAR 2

**2-1. A request for apportionment was prepared for \$440 of appropriations in the program fund to be transferred to the financing fund, which will use it to repay principal on the debt to Treasury. Another request was prepared for the financing fund. The SF-132's constituting the request is shown on the next page.**

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**Direct Loan Agency  
 Fiscal Year 2**

<b>SF 132 Apportionment/Reapportionment Schedule</b>			
	<b>BUDGETARY RESOURCES</b>	<b>Program Fund</b>	<b>Financing Fund</b>
	<b>Budget authority:</b>		
	<b>Appropriations, discretionary:</b>		
1100	Appropriation	440	
	<b>Spending authority from offsetting collections, mandatory:</b>		
1840	Anticipated Collections, Reimbursements, and Other Income		-
1920	Total Budgetary Resources	<u>440</u>	-
	<b>APPLICATION OF BUDGETARY RESOURCES</b>		
	<b>Category B (by project)</b>		
6011	Direct Loan Subsidy	440	-
6190	Total Budgetary Resources Available	<u>440</u>	-

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*2-1a To record an anticipated appropriation.*

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b> 412000 Anticipated Indefinite Appropriations 445000 Unapportioned Authority	440	440	A102
<b><u>Proprietary Entry</u></b> None			

*2-1b To record anticipated resources apportioned but not available for use until they are realized.*

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b> 445000 Unapportioned Authority 459000 Apportionments - Anticipated Resources - Programs Subject to Apportionment	440	440	A118
<b><u>Proprietary Entry</u></b> None			

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**2-1c To record anticipated collections and anticipated non-expenditure payments to Treasury.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
407000 Anticipated Collections from Federal Sources	440		
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year		440	A140 A142
<b><u>Proprietary Entry</u></b>			
None			

**2-2 To record the enactment of the appropriations.**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
411800 <sup>56</sup> Reestimated Loan Subsidy Appropriation	440		
412000 Anticipated Indefinite Appropriations		440	A104
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	440		
310100 (G) Unexpended Appropriations – Appropriations Received		440	

<sup>56</sup>Note that this is a permanent indefinite appropriation, as opposed to the annual appropriation for basic and modified subsidy that was seen in Year 1. Under OMB budget rules, a permanent indefinite appropriation is anticipated and only realized when OMB authorizes its use, at which time the fund balance with Treasury is also recognized. Hence there is no entry to fund balance with Treasury recorded in the entry to request the apportionment.

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**2-3. To record the realization of previously anticipated and apportioned authority for programs subject to apportionment.**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
459000 Apportionments - Anticipated Resources - Program Subject to Apportionment	440		
451000 Apportionments		440	A122
<b><u>Proprietary Entry</u></b>			
None			

**Financing Fund**

No entry<sup>57</sup>

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<sup>57</sup>Note that there is no apportionment of resources, since the \$440 expected to be collected is going to be returned to Treasury. Hence, there is no apportionment to record. The approved SF-132 will nonetheless be kept to evidence OMB's approval of the collection and payment to Treasury.

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**2-4. Agency recorded allotment of authority.**

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
451000 Apportionments	440		
461000 Allotments - Realized Resources		440	A120
<b><u>Proprietary Entry</u></b>			
None			

**Financing Fund**

No entry<sup>58</sup>

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<sup>58</sup>Because there is no apportionment of resources (see previous footnote), there is no allotment of them.

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**2-5. The re-estimated subsidy was transferred from the program fund to the financing fund.**

*2-5a To record the re-estimated subsidy payable in the program account.*

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments - Realized Resources	440		
480100 Undelivered Orders - Unpaid		440	B306
<b><u>Proprietary Entry</u></b>			
None			

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
422100 Unfilled Customer Orders Without Advance	440		
407000 Anticipated Collections from Federal Sources		440	C101
<b><u>Proprietary Entry</u></b>			
None			

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*2-5b To record the disbursement of reestimate from the program fund to the financing fund.*

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
480100 Undelivered Orders - Unpaid	440		
490200 Delivered Orders – Obligations, Paid [Re-estimated Subsidy and Interest]		440	B105
<b><u>Proprietary Entry</u></b>			
217000 (F) Subsidy Payable to the Financing Account	440		
101000 (G) Fund Balance With Treasury Subsidy Expense]		440	
310700 (G) Unexpended Appropriations - Appropriations Used	440		
570000 (G) Financing Sources From Appropriations Used		440	B134

<b>To record the reclassification of unfunded expenses.</b>	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
610000 (N) Operating Expenses/Program Costs	440		
680000 (N) Future Funded Expenses [Re-estimated Subsidy Expense]		440	B105

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*2-5c To record collection of subsidy for an upward re-estimate in the financing account.*

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
427100 Actual Program Fund Subsidy Collected	440		
407000 Anticipated Collections from Federal Sources		440	C106
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	440		
131000 (F) Accounts Receivable [Subsidy Receivable from Program Account]		440	

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**2-6 The financing fund used the subsidy collected to repay principal on its loan from Fiscal Service.**

*To record principal repayments to the Fiscal Service via non-expenditure transfers that was previously anticipated.*

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority	440		
414600 Actual Repayments of Debt, Current-Year Authority		440	B120
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to the Bureau of the Fiscal Service	440		
101000 (G) Fund Balance With Treasury		440	

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<b>Preclosing Adjusted Trial Balance</b>		
	<b>Program Fund Debit/Credit</b>	<b>Financing Fund Debit/Credit</b>
<b><u>Accounts</u></b>		
<b><u>Budgetary</u></b>		
404700 Anticipated Transfers to the General Fund of the U.S. Government - Current-Year Authority		-
406000 Anticipated Collections from Non-Federal Sources		-
407000 Anticipated Collections from Federal Sources		(440)
411500 Loan Subsidy Appropriation	-	
411700 Loan Administrative Expense Appropriation	-	
411800 Reestimated Loan Subsidy Appropriation	440	
412000 Anticipated Indefinite Appropriations		
414100 Current-Year Borrowing Authority Realized		-
414300 Current-Year Decreases to Indefinite Borrowing Authority Realized		-
414500 Borrowing Authority Converted to Cash		-
414600 Actual Repayments of Debt, Current-Year Authority		(440)
414800 Resources Realized From Borrowing Authority		-
420100 Total Actual Resources - Collected		
422100 Unfilled Customer Orders Without Advance		440
426100 Actual Collections of Business-Type Fees		-
426200 Actual Collections of Loan Principal		-
426300 Actual Collections of Loan Interest		-
427100 Actual Program Fund Subsidy Collected		440
427300 Interest Collected From Treasury		
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		
490200 Delivered Orders - Obligations, Paid [Re-est. Sub]	(440)	
490200 Delivered Orders - Obligations, Paid [Other]	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

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Preclosing Adjusted Trial Balance (Continued)		
<b><u>Proprietary</u></b>		
101000 (G) Fund Balance With Treasury		
131000 (N) Accounts Receivable (Subsidy Recv.)		(440)
134100 (N) Interest Receivable - Loans		
135000 (N) Loans Receivable		
139900 (N) Allowance for Subsidy		
217000 (F) Subsidy Payable to the Financing Account	440	
251000 (F) Principal Payable to the Bureau of the Fiscal Service		440
310000 Unexpended Appropriations - Cumulative		
310100 (G) Unexpended Appropriations - Appropriations Received	(440)	
310700 (G) Unexpended Appropriations - Used	440	
331000 Cumulative Results of Operations		-
531200 (N) Interest Revenue - Loans Receivable/Uninvested Funds (Borrowers)		-
531200 (F) Interest Revenue - Loans Receivable/Uninvested Funds (Treasury)		-
531300 (N) Interest Revenue - Subsidy Amortization (Int. on PV Assets)		-
570000 (G) Expended Appropriations	(440)	
610000 (N) Operating Expenses/Program Costs (Admin.)	-	
610000 (F) Operating Expenses/Program Costs (Admin.)		
610000 (N) Operating Expenses/Program Costs (Basic +Subsidy)	440	
631000 (F) Interest Expenses on Borrowing from the Bureau of the Fiscal Service and/or the Federal Financing Bank		
680000 (N) Future Funded Expenses (Subs. Reest.)	(440)	-
<b>Total</b>	<b>0</b>	<b>0</b>

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**CLOSING ENTRIES**

**2-6. Closing entries were made.**

**Program Fund**

To record the closing of expended authority paid and record the consolidation of actual net—funded resources for withdrawn funds.	DR	CR	TC
<p><b><u>Budgetary Entry</u></b>            490200 Delivered Orders Paid [Re-est. Subsidy and Interest]            411800 Reestimated Loan Subsidy Appropriation</p> <p><b><u>Proprietary Entry</u></b>            None</p>	<p>440</p>	<p>440</p>	<p>F302 F314</p>

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To record the closing of revenue, expenses, and other financing sources accounts to cumulative results of operations.	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 680000 (N) Future Funded Expenses 570000 (G) Financing Sources from Appropriations 331000 Cumulative Results of Operations 610000 (F) Operating Expenses/Program Costs	440 440	440 440	F336

To record closing of fiscal-year activity to unexpended appropriations.	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 310100 (G) Unexpended Appropriations - Appropriations Received 310700 (G) Unexpended Appropriations - Appropriations Used	440	440	F342

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**Financing Fund**<sup>59</sup>

To record the consolidation of actual net funded resources and reductions for withdrawal of funds.	DR	CR	TC
<b><u>Budgetary Entry</u></b> 414600 Actual Repayments of Debt, Current-Year Authority 427100 Actual Program Fund Subsidy Collected	440	440	F302
<b><u>Proprietary Entry</u></b> None			

To record adjustments for anticipated resources not realized.	DR	CR	TC
<b><u>Budgetary Entry</u></b> 404700 Anticipated Collections from the General Fund of the U.S. Government – Current-Year 445000 Unapportioned Authority	440	440	F112
<b><u>Proprietary Entry</u></b> None			

<sup>59</sup>Note that there are no closing entries required for the financing fund, because there were no transactions involving financing sources or expenses.

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To record the closing of unobligated balances to expiring authority.	DR	CR	TC
<p><b><u>Budgetary Entry</u></b>            445000 Unapportioned Authority            465000 Expired Authority</p> <p><b><u>Proprietary Entry</u></b>            None</p>	<p>440</p>	<p>440</p>	<p>F312</p>

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<b>Post-Closing Adjusted Trial Balance</b>		
	<b>Program Fund Debit/Credit</b>	<b>Financing Fund Debit/Credit</b>
<b><u>Accounts</u></b>		
<b><u>Budgetary</u></b>		
404700 Anticipated Transfers to the General Fund of the U.S. Government - Current-Year Authority		-
406000 Anticipated Collections from Non-Federal Sources		-
407000 Anticipated Collections from Federal Sources		-
411500 Loan Subsidy Appropriation	-	
411700 Loan Administrative Expense Appropriation	-	
411800 Reestimated Loan Subsidy Appropriation	-	
412000 Anticipated Indefinite Appropriations	-	
414100 Current-Year Borrowing Authority Realized		-
414300 Current-Year Decreases to Indefinite Borrowing Authority Realized		-
414500 Borrowing Authority Converted to Cash		-
414600 Actual Repayments of Debt, Current-Year Authority		-
414800 Resources Realized From Borrowing Authority		-
420100 Total Actual Resources - Collected		
422100 Unfilled Customer Orders Without Advance		440
426100 Actual Collections of Business-Type Fees		-
426200 Actual Collections of Loan Principal		-
426300 Actual Collections of Loan Interest		-
427100 Actual Program Fund Subsidy Collected		-
427300 Interest Collected From Treasury		-
445000 Unapportioned Authority		-
459000 Apportionments - Anticipated Resources - Programs Subject to Apportionment		-
461000 Allotments - Realized Resources	-	
465000 Allotments - Expired Authority		(440)
480100 Undelivered Orders - Obligations, Unpaid		
490200 Delivered Orders - Obligations, Paid [Loans Made]		-
490200 Delivered Orders - Obligations, Paid [Re-est. Sub and Int]	-	-
490200 Delivered Orders - Obligations, Paid [Other]	-	-

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<b>Total</b>	<b>0</b>	<b>0</b>
<b>Post-Closing Adjusted Trial Balance (Continued)</b>		
<b><u>Proprietary</u></b>		
101000 (G) Fund Balance With Treasury		
131000 (N) Accounts Receivable (Subsidy Recv.)		(440)
134100 (N) Interest Receivable - Loans		
135000 (N) Loans Receivable		
139900 (N) Allowance for Subsidy		
217000 (F) Subsidy Payable to the Financing Account	440	
251000 (F) Principal Payable to the Bureau of the Fiscal Service		440
310000 Unexpended Appropriations - Cumulative		
310100 (G) Unexpended Appropriations - Appropriations Received	-	
310700 (G) Unexpended Appropriations - Used	-	-
331000 Cumulative Results of Operations	(440)	-
531200 (N) Interest Revenue - Loans Receivable/Uninvested Funds (Borrowers)		-
531200 (F) Interest Revenue - Loans Receivable/Uninvested Funds (Treasury)		-
531300 (N) Interest Revenue - Subsidy Amortization (Int. on PV Assets)		-
570000 (G) Expended Appropriations	-	
610000 (N) Operating Expenses/Program Costs (Admin.)	-	
610000 (F) Operating Expenses/Program Costs (Admin.)		
610000 (N) Operating Expenses/Program Costs (Basic Subsidy)	-	
631000 (F) Interest Expenses on Borrowing from the Bureau of the Fiscal Service and/or the Federal Financing Bank		
680000 (N) Future Funded Expenses (Subs. Recv.)	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

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**FINANCIAL STATEMENTS<sup>60</sup>**

**Direct Loan Agency  
 September 30, FY-2**

**BALANCE SHEET**

		Program Fund	Elim	Financing Fund	Total
	<b>Assets:</b>				
	Intragovernmental				
1.	Fund Balance With Treasury (101000E)	6,145		2,355	8,500
3.	Accounts Receivable (131000E)				
6.	Total Intragovernmental (calc.)	6,145		2,355	8,500
11.	Direct Loan and Loan Guarantees, Net (134100E, 135000E, 139900E)			56,555	56,555
15.	Total Assets (calc.)	<u>6,145</u>	-	<u>58,910</u>	<u>65,055</u>
	<b>Liabilities:</b>				
18.	Debt (251000E)			58,910	58,910
20.	Total Intragovernmental	-	-	58,910	58,910
28.	Total Liabilities (calc.)	-	-	58,910	58,910
	<b>Net Position:</b>				
31.	Unexpended Appropriations - All Other Funds (310000E, 310100E, 310700E)	6,145			6,145
33.	Cumulative Results of Operations - All Other Funds (331000E, 570000, 610000E, 680000E)	±			±
35.	Total Net Position - All Other Funds (calc.)	6,145			6,145
36.	Total Net Position (calc.)	6,145			6,145
37.	Total Liabilities and Net Position (calc.)	<u>6,145</u>	±	<u>58,910</u>	<u>65,055</u>

<sup>60</sup> Statements updated as of USSGL TFM Bulletin No. 2017-01.

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**Direct Loan Agency  
 For Fiscal Year Ended September 30, FY-2**

<b>STATEMENT OF CHANGES IN NET POSITION</b>							
		<b>Program Fund</b>		<b>Financing Fund<sup>61</sup></b>		<b>Total</b>	
		Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations
	<b>Cumulative Results of Operations:</b>						
	<b>Budgetary Financing Sources:</b>						
1.	Beginning Balance	(440)				(440)	
3.	Beginning Balance, Adjusted	(440)				(440)	
5.	Appropriations Used (570000E)	440				440	
14.	Total Financing Sources	440				440	
15.	Net Cost of Operations (+/-)	-				-	
16.	Net Change (calc. 14-15)	<u>440</u>				<u>(440)</u>	
17.	<b>Cumulative Results of Operations (calc. 3+16)</b>	<u>-</u>				<u>-</u>	
	<b>Unexpended</b>						

<sup>61</sup>Note that the column for unexpended appropriations would normally not be applicable, because the financing fund does not have appropriations. However, positive modification adjustment transfers are indefinite appropriated funding.

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	<b>Appropriations:</b>					
	<b>Budgetary Financing Sources:</b>					
18.	Beginning Balance		6,145			6,145
20.	Beginning Balance, Adjusted		6,145			6,145
21.	Appropriations Received (310100E)		440			440
24.	Appropriations Used (310700E)		<u>(440)</u>			<u>(440)</u>
25.	Total Budgetary Financing Sources (calc. 21..24)		<u>=</u>			<u>=</u>
26.	Total Unexpended Appropriations (calc. 20 + 25)		<u>6,145</u>			<u>6,145</u>
27.	<b>Net Position (calc. 17 + 26)</b>		<u>6,145</u>			<u>6,145</u>

**Direct Loan Agency  
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<b>STATEMENT OF BUDGETARY RESOURCES</b>				
		<b>Budgetary</b>	<b>Non-Budgetary Financing Account</b>	<b>Total</b>
	<b>Budgetary Resources:</b>			
1000	Unobligated Balance brought forward, Oct 1	5,500		5,500
1290	Appropriations (discretionary and mandatory) (411500E, 411700E, 4125000E)	440		440
1490	Borrowing Authority (discretionary and mandatory) (414600E)		(440)	(440)
1890	Spending authority from offsetting collections (discretionary and mandatory) ((426100E,426200E, 426300E,427100,427300,422100E-422100B))		<u>440</u>	440
1910	Total budgetary resources	<u>\$5,940</u>	<u>\$-</u>	<u>\$5,940</u>
	<b>Status of Budgetary Resources:</b>			
2190	New obligations and upward adjustments (total) (480100E-480100B, 490200E)	440		440
	<b>Unobligated balance, end of year:</b>			
2404	Unapportioned, unexpired accounts (445000E, 465000E)	<u>5,500</u>		<u>5,500</u>
2500	Total budgetary resources	<u>\$5,940</u>		<u>\$5,940</u>
	<b>Change in obligated balance</b>			
3012	New obligations and upward adjustments(total) (480100E-480100B, 490200E)	440		440

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3020	Outlays (gross) (-) (490200E)	(440)		(440)
3050	Unpaid obligations, end of year (480100E-480100B)		3,000	3,000
3072	Change in uncollected pymts, Fed Sources (422100E - 422100B)		440	440
3090	Uncollected pymts, Fed sources, end of year (-) (422100E)		(645)	(645)

**STATEMENT OF BUDGETARY RESOURCES**

	<b>Memorandum (non add) entries</b>			
3200	Obligated balance, end of year (+ or -)	-	2,795	2,975
	<b>Budget Authority and Outlays, Net:</b>			
4175	Budget authority, gross (discretionary and mandatory)	440	-	440
4177	Change in uncollected, pymts, Fed sources (discretionary and mandatory) (+ or -)		(440)	(440)
4180	Budget authority, net (total) (discretionary and mandatory)	<u>440</u>	<u>(440)</u>	<u>=</u>
4185	Outlays, gross (discretionary and mandatory)	440		440
4187	Actual offsetting collections (discretionary and mandatory) (-)		<u>440</u>	<u>440</u>
4190	Outlays, net (total) (discretionary and mandatory)	440	(440)	

**Direct Loan Agency  
 For Fiscal Year Ended September 30, FY2**

<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;                      Budget Program and Financing Schedule (Schedule P)                      ACTUAL COLUMN FOR YEAR 2 REPORTING</b>				
	Program Fund		Financing Fund	
	SF133 Line	Sch P Line	SF133 Line	Sch P Line
<b>BUDGETARY RESOURCES</b>				
<b>All accounts:</b>				
0703 Direct Loan Subsidy		19,350		
0705 Direct Loan Modification Subsidy Costs		1,000		
0709 Administrative Expenses		4,950		
0711 Default Claim Payments on Principal				3,500
0715 Interest Supplement				1,940
0900 Total new obligations (490200E)		25,300		5,440
<b>Unobligated balance:</b>				
1000 Unobligated balance brought forward, October 1	1,200		-	-
1051 Unobligated balance from prior year budget authority, net	1,200			
<b>Budget Authority:</b>				
<b>Appropriations:</b>				
<b>Mandatory:</b>				
1200 Appropriation (411800E)	440	440		
1260 Appropriation - Mandatory (total)	440	440		

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;                      Budget Program and Financing Schedule (Schedule P)                      ACTUAL COLUMN FOR YEAR 2 REPORTING</b>				
1400 Borrowing authority (414100E, 414300E)			-	-
1440 Borrowing authority total			-	-
<b>Spending Authority from Offsetting Collections:</b>				
<b>Mandatory:</b>				
1800 Collected (426100E,426200E,426300E,427100E,427300E)			440	440
1801 Change in uncollected payments, Federal sources (+ or -) (422100E)			-	-
1825 Appropriation applied to repay debt (-) (414600E)			(440)	(440)
1850 Spending authority from offsetting collections, mandatory (total)			-	-
1900 Budget authority total (disc. and mandatory)	1,640	1,640	-	-
1910 Total budgetary resources discretionary and mandatory)	1,640		-	-
1930 Total budgetary resources available		1,640		-
<b>Memorandum (non-add) entries:</b>				
<b>Unobligated Balance</b>				
1940 Unobligated balance expiring (-) (465000E)		1,200		
1941 Unexpired unobligated balance, end of year (445000E, 461000E)				(60)
<b>STATUS OF BUDGETARY RESOURCES</b>				
<b>Obligations incurred:</b>				
<b>Direct:</b>				
2002 Category B (by project) (480100E, 490200E)	440		-	
2004 Direct obligations (total)	440		-	
<b>Unobligated balance</b>				
<b>Apportioned</b>				
2201 Available in current period (461000E)	-		-	
2403 Other (465000E)	1,200			
2500 Total budgetary resources. This line is calculated. Equal sum of lines 2001 through 2403. This amount equals the amount on line 1910 of the Schedule of Budgetary Resources.	1,640		-	

<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;                      Budget Program and Financing Schedule (Schedule P)                      ACTUAL COLUMN FOR YEAR 2 REPORTING</b>				
<b>CHANGE IN OBLIGATED BALANCE</b>				
<b>Unpaid obligations:</b>				
3000 Unpaid obligations, brought forward, Oct 1 (480100)	645		3,000	-
3001 Adjustment to unpaid obligations, brought forward, Oct 1 (+ or -) (480100E)	(645)	(645)	(3,000)	(3,000)
3010 New Obligations, unexpired accounts (480100E – 480100B, 490200E)			(645)	
3020 Outlays (gross) (-) (490200E)	645		2,355	
3050 Unpaid obligations, end of year (480100E)				
	645	645	3,000	3,000
3061 Adjustment to uncollected pymts, Fed sources, brought forward, Oct 1 (+ or -) (422100E)			(645)	(645)
3070 Change in uncollected pymts, Fed sources, unexpired accounts (+ or -) (422100E)			645	645
3090 Uncollected pymts, Fed sources, end of year (-) (422100E)			(645)	(645)
<b>Memorandum (non-add) entries:</b>				
3100 Obligated balance, start of year (+ or -) This line is calculated. Equals the sum of lines 3000, 3001, 3060, and 3061.	645	645	2,355	2,355
3200 Obligated balance, end of year (+ or -) This line is calculated. Equals the sum of detailed obligated balance lines 3000, 3001, 3010, 3011, 3020, 3030, 3031, 3040, 3041, 3060, 3061, 3070, 3071, 3080, and 3081. Also equals sum of lines 3050 and 3090. (422100E)	645	645	2,355	2,355
<b>BUDGET AUTHORITY AND OUTLAYS, NET</b>				
<b>Discretionary:</b>				
<b>Gross budget authority and outlays:</b>				
4000 Budget authority, gross (411500E, 411700E)	30,800	30,800		
4010 Outlays from new discretionary authority (480200E)	24,655	24,655		
4020 Outlays, gross (total)	24,655	24,655		
4070 Budget authority, net (discretionary)	30,800	30,800		
4080 Outlays, net (discretionary)	24,655	24,655		

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;                      Budget Program and Financing Schedule (Schedule P)                      ACTUAL COLUMN FOR YEAR 2 REPORTING</b>				
<b>Mandatory:</b>				
<b>Gross budget authority and outlays:</b>				
4090 Budget authority, gross (This line is calculated. Equals the sum of mandatory budget authority [Lines 1200 through 1252, 1270 through 1273, 1400 through 1430, 1600 through 1631, and 1800 through 1842 (SF 133). Lines 1200 through 1239, 1270 through 1273, 1400 through 1420, 1600 through 1622, and 1800 through 1827 (Sch P)].)	440	440	-	-
4110 Total outlays, gross (480200E)	440	440	-	-
4120 Federal sources (-) (427100E)			(440)	(440)
4130 Offsets against gross budget authority and outlays (total) (-)			(440)	(440)
4140 Change in uncollected pymts, Fed sources, unexpired accounts(+/-) (422100E)			(645)	(645)
4150 Additional offsets against budget authority only (total)			(645)	(645)
4160 Budget authority, net (mandatory) (This line is calculated. Equals the total new budget authority (gross) on line 4090 plus the amounts on lines 4120 through 4124 and on lines 4140, 4141 and 4143 (SF 133). Line 4090 plus the amounts on lines 4120 through 4124 and on lines 4140 and 4142 (Sch P).)	440	440	(440)	(440)
4170 Outlays, net (mandatory) (This line is calculated. Equals line 4110 plus the amounts on lines 4120 through 4124.)	440	440	(440)	(440)
4180 Budget authority, net (discretionary and mandatory) (This line is calculated. Equals sum of lines 4070 and 4160.)	440	440	(440)	(440)
4190 Outlays, net (discretionary and mandatory) (This line is calculated. Equals sum of lines 4080 and 4170.)	440	440	(440)	(440)

## **APPENDIX 1: ACCOUNTING FOR MANDATORY DIRECT LOAN PROGRAMS**

### **INTRODUCTION**

The case presented in the body of this document was for common transactions undertaken by a discretionary direct loan program. This appendix discusses basic differences between discretionary and mandatory direct loan programs, and shows how the prior entries in this guide would differ for a mandatory program with typical funding characteristics.

### **BASIC DIFFERENCES BETWEEN DISCRETIONARY AND MANDATORY PROGRAMS**

In a discretionary program, Congress sets a funding level, and program agencies make loans up to the amount that can be supported from subsidy in their program fund. Program fund subsidy is usually provided by annual or multi-year appropriations, although no-year (permanent indefinite) appropriations can be given by the Congress should they choose to do so.

Annual appropriation authority expires at the end of the fiscal year that it funds, and multi-year appropriations expire at the end of the last year of their period of availability. For example, appropriations good for three years expire at the end of the third year funded. No new obligations may be placed against expired authority, and agencies generally have five years after the date of expiration to fill obligations and pay liabilities before both the obligated and unobligated authority is canceled and cannot be used for any purposes. Congress sometimes provides for different periods of expiration.<sup>62</sup>

The government also operates mandatory (entitlement) direct loan programs, in which Congress usually authorizes permanent indefinite appropriations for subsidy. If there are a sufficient number of applicants who meet criteria established by Congress for the program that the subsidy is insufficient to support the loans, additional subsidy monies are normally provided by drawing additional appropriations. The Congress may set rules in which it must concur with the additional funding, or it may place a cap on the total funding. These no-year appropriations do not have a date of expiration, and unobligated subsidy appropriation authority may be used as long as the programs they fund remain authorized by the Congress.

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<sup>62</sup>The legislation providing for this is P.L. 101-510, which is a separate part of the Defense Appropriation Act of 1990, applying more broadly to most federal agencies. The U.S. USSGL Board has published a document entitled *Budgetary Accounting in the Federal Government* which is available through its website at [https://www.fiscal.treasury.gov/fsreports/ref/ussgl/approved\\_scenarios/approved\\_scenarios.htm](https://www.fiscal.treasury.gov/fsreports/ref/ussgl/approved_scenarios/approved_scenarios.htm).

Congress may provide appropriations for administrative expenses that have annual, multi-year, or no-year expiration. It is probably most common for both discretionary and mandatory direct loan programs to have annual administrative expense appropriations. Thus, no differences in accounting for administrative expenses will be presented. However, multi-year administrative expense appropriations in other than the last year covered, and no-year administrative expense appropriations, would be accounted for in the same manner as will be shown for no-year appropriations of subsidy authority.

Another difference between discretionary and mandatory direct loan programs is that when downward adjustments to subsidy are called for during the subsidy re-estimation process to properly value direct loans at the estimated value of their cash flows, discretionary programs must generally return the excess money in their financing fund to the Treasury by transferring it to a designated miscellaneous receipt account. Mandatory programs generally may recycle this excess by transferring it back to their program account. While these are the typical situations, Congress may provide for recycling of downward re-estimates for a discretionary program, or may provide that downward re-estimates in a mandatory program cannot be recycled, and must be returned to Treasury. Recording and reporting downward re-estimates of subsidy for both a discretionary and a mandatory program is discussed in Appendix 2 to this document (recall that the agency in the body of this document illustrated accrual and disposition of an upward adjustment).

Both discretionary and mandatory direct loan programs generally have the same transactions. In both types of programs:

- Budgetary resources must be formulated, apportioned by OMB, and allotted by the agency;
- Loans are made based on a combination of program fund subsidy and financing fund borrowing from Treasury;
- Collections from federal and non-federal sources are made and used to repay principal and interest on the loan from Treasury;
- The subsidy cost allowance is re-estimated each year taking into account all factors that may have affected the estimated cash flows. Any adjustment resulting from the re-estimate is recognized as a subsidy expense (or a reduction in subsidy expense).

Where there are differences in the type of subsidy appropriations provided and disposition of downward re-estimates, the journal entries to record the same transaction will usually differ as well. The next section discusses those differences.

**DIFFERENCES IN JOURNAL ENTRIES FOR MANDATORY PROGRAMS**

The transactions illustrated for the discretionary direct loan program in the body of this document are virtually the same as those that would be undertaken in a mandatory program. However, four of the journal entries would be different. The transactions involved, and the budgetary and proprietary entries a mandatory program with no-year subsidy authority, but with the same amount of funding and other parameters as the discretionary program, would make, are set forth below.<sup>63</sup> Note that only certain entries in fiscal year 1 are affected. There would be no change from the discretionary program entries in fiscal year 2.

Changes from entries illustrated for the discretionary program are highlighted in bold type. For each transaction presented, only the fund entities for which there is a change are presented. If a fund entity present for a transaction in the discretionary program guide were not present in the transactions illustrated below, a mandatory program would make the same entries for those fund entities. A discussion of changes follows the revised entries for each transaction.

**1-1. To record enactment of appropriations.**

**Program Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
412000 Anticipated Indefinite Appropriations	25,800		
411700 Loan Administrative Expense Appropriation	5,000		
445000 Unapportioned Authority		30,800	A102
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	5,000		
310100 (G) Unexpended Appropriation Received		5,000	

<sup>63</sup>It is important to note these assumptions, because they form the basis for changes to be discussed. It is possible that variations, even within the assumptions, could exist, and that entries could differ still further. For example, OMB might decide on a lesser amount of subsidy funding than the agency anticipated in its request, and, if needed, increase the amount later (see transactions 1-1 and 1-2). The more specific assumption in this appendix is that the nature of transactions and amounts between the discretionary and mandatory programs is the same.

**Explanation of difference**

Because the program fund has permanent indefinite authority for its subsidy, formulation of the budget calls for the amount of the appropriations to be received to first be anticipated. The appropriations will normally not be realized until OMB has approved the amount. Accordingly, two changes must be made in the program fund entry. First, the account for anticipated appropriations, 412000, is used instead of the account for realized subsidy appropriations, 411500. Second, because the subsidy money is not realized at this point, the amount of Fund Balance with Treasury recorded is only the amount of the administrative expense appropriation, which is an annual appropriation. Note that there is no change for the financing fund.

**1-2. The agency’s requests for apportionment were approved by OMB without change, and the apportionment was recorded.**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
411500 Loan Subsidy Appropriations	25,800		
412000 Anticipated – Indefinite Appropriations		25,800	A102
445000 Unapportioned Authority	30,800		A104
451000 Apportionments		30,800	
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	25,800		
310100 (G) Unexpended Appropriation- Appropriations Received		25,800	

***Explanation of Difference***

There are two differences here. First, because the subsidy appropriation was first anticipated and not realized until OMB concurred in the amount, an entry to realize the appropriation is made. Second, along with the realization, the related fund balance with Treasury must be recorded. Note that the combination of entries 1-1 and 1-2 yields the same account balances for both the discretionary and mandatory programs.

**1-10. After consultation and agreement with OMB, the agency decided to modify the terms of loans for some borrowers, reducing the present value of those loans by \$1,000.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
461000 Allotments – Realized Resources	1,000		
404700 Anticipated Transfers to the General Fund of the U.S. Government – Current-Year Authority		1,000	A148
<b><u>Proprietary Entry</u></b>			
None			

***Explanation of Difference***

The basic transaction is the same, the agency is making modifications to loan terms which cost the government \$1,000. However, some of the related procedures are different. In the discretionary program, the loan level had to be reduced, and the related borrowing authority had to be reduced as well. This was because since the subsidy appropriation was annual, having to use subsidy to modify loans meant that the subsidy was not available to use in making loans (recall that an agency can only make the amount of loans which its subsidy monies can support).

In a mandatory program, in which additional monies can, with OMB approval, be drawn from a permanent indefinite appropriation, there is no need to reduce the program level. The \$1,000 of subsidy could be recovered by drawing an additional \$1,000 from the appropriation subsidy. The drawing of it is not made here, because in this case, we know from the discretionary program case that the full amount of subsidy, even reduced by the \$1,000 used for modifications, was not used to make loans.

Note that the \$1,000 of additional subsidy to be collected would need to be paid on the Treasury loan, and hence the allotments, which would otherwise have been used to make loans, must be decreased, and the amount of anticipated payments on the loan must be increased, by the amount.

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If the mandatory agency were to replenish its subsidy, it would first make the request of OMB and, if OMB concurred, would realize additional appropriation authority and receive monies from Treasury<sup>64</sup>. Such request would probably be made later in the year if the demand for loans was greater than the subsidy would support, which is not the situation in the case.

<sup>64</sup>To make the request to replenish the subsidy now of OMB, the agency would prepare this entry in its program fund and submit an SF-132 to OMB:

	DR	CR	TC
<b><u>Budgetary Entry</u></b> 412000 Anticipated - Indefinite Appropriations 445000 Unapportioned Authority	1,000	1,000	A102
<b><u>Proprietary Entry</u></b> None			

Then, when OMB approved the request, the agency would make these entries to record the apportionment:

	DR	CR	TC
<b><u>Budgetary Entry</u></b> 411500 Loan Subsidy Appropriations 412000 Anticipated – Indefinite Appropriations	1,000	1,000	A104
<b><u>Proprietary Entry</u></b> 101000 (G) Fund Balance With Treasury 310100 (G) Unexpended Appropriation- Appropriations Received	1,000	1,000	

A related SF-132 would be prepared for the financing fund to increase its anticipated federal collections by \$1,000. The financing fund entries relating to anticipated federal collections in entries 1-1 and 1-2 would be made to request and receive the apportionment, respectively.

*Explanation of Difference*

In conjunction with the change to entry 1-10, this entry would not be made—indeed; the transaction would not be undertaken—because there would be no need to reduce borrowing authority. If, later in the year, the demand for loans was such that more subsidy was needed to make loans than was available in the program fund, the program fund would obtain additional subsidy from its permanent indefinite appropriation and use it, in conjunction with the existing borrowing authority, to make additional loans. If the borrowing authority was also insufficient, additional authority would be realized, since it, too, is permanent indefinite authority.<sup>65</sup>

**1-17. As no further loans were disbursed during the year, the unneeded monies borrowed from Treasury were returned.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments – Realized Resources	23,550		
414600 Actual Repayments of Debt, Current-Year Authority		23,550	A148 A156
<b><u>Proprietary Entry</u></b>			
251000 (F) Principal Payable to the Bureau of the Fiscal Service	23,550		
101000 (G) Fund Balance With Treasury		23,550	

*Explanation of Differences*

The modification which reduced the borrowing authority by \$3,651 (from \$94,200 to \$90,549) would not have been needed with mandatory program (therefore increasing the repayment in mandatory program from \$19,899 to \$23,550).

<sup>65</sup>The borrowing authority in a discretionary direct loan program is also permanent indefinite, but if the subsidy money was annual authority, which could not be augmented without additional action by the Congress, borrowing authority could not be increased to make more loans. Even if a discretionary program had unobligated borrowing authority, if the amount of unobligated subsidy money was (say) zero, none of the borrowing authority could be used to fund new loans unless Congress authorized additional subsidy appropriations.

## **Trial Balances and Financial Statements**

Pre- and post-closing trial balances, financial statements, and the quantitative portion of the credit program note for the mandatory program would be the same as for the discretionary program for both fiscal years. Narrative descriptions about funding and about loan levels authorized would be different, but are not illustrated for either program. (The narrative about program level and nature of subsidy funding would be different, because the program loan level was reduced in the discretionary program but not in the mandatory program, and the subsidy appropriation in the mandatory program was no-year authority, as opposed to annual authority in the discretionary case).

## **APPENDIX 2: ACCOUNTING FOR DOWNWARD RE-ESTIMATES IN DISCRETIONARY AND MANDATORY DIRECT LOAN PROGRAMS**

### **INTRODUCTION**

The nature of downward subsidy re-estimates for loans and interest receivable is the same for both discretionary and mandatory direct loan programs. In both cases, the present value of the receivables is understated at year-end, meaning that more subsidy money was collected than is necessary to fund future net cash outflows; the value of the receivables must be adjusted accordingly; and the financing fund must relinquish the excess subsidy amount. A SF-132 Apportionment and Reapportionment Schedule has to be done.<sup>66</sup> And like the upward subsidy re-estimates, an accrual for the adjustment to subsidy expense must be made at year-end, in the program fund, with an accrued receivable in the General Funds Receipt account. The financing fund must transfer the excess subsidy amount, with interest, to the General Funds Receipt account in the following year.

The following sections illustrate accounting and reporting for a downward subsidy re-estimate in the amount of \$440 (which includes a technical re-estimate (including interest on the re-estimate) and an interest rate re-estimate). For purposes of the illustration, the same figures are used as were used for the upward re-estimate in the case, except that the re-estimate will be considered to be downward. Hence, the re-estimate components will be: downward technical re-estimate (including interest on the re-estimate) of \$435; and downward interest rate re-estimate, \$5.<sup>67</sup>

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<sup>66</sup> OMB Circular A-11, Section 185.18 Do amounts for a downward reestimate (and the interest on the reestimate) need to be apportioned?

<sup>67</sup> Per OMB Circular A-11, Section 185. 2, Interest rate reestimates adjust for the effect on the subsidy of differences between actual interest rates and the discount rates assumed when estimates were made for budget formulation and obligation. These reestimates must be made when the cohort is at least 90 percent disbursed. Technical reestimates adjust for revised assumptions about loan performances, such as differences between assumed and actual default rates or new projections of prepayments.

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The entries to accrue the downward re-estimate described in the preceding section are shown below. The entries are reflected in the Financing Fund, Program Fund, and General Fund Receipt Account.

Fiscal Year 1

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 579100 <sup>68</sup> (F) Adjustment to Financing Sources – Credit Reform 680000 (N) Future Funded Expenses [Subsidy Re-estimate]	440	440	D146

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68 When using USSGL account 579100, Adjustment to Financing Sources – Credit Reform, use Federal Non-Federal attribute domain value “F”.

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**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
139900 (N) Allowance for Subsidy	440		
579100 <sup>69</sup> (F) Adjustment to Financing Sources – Credit Reform		440	D147
577600 (F) Nonbudgetary Financing Sources Transferred Out	440		
299000 (G) Other Liabilities Without Related Budgetary Obligations		440	D148

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<sup>69</sup> When using USSGL account 579100, Adjustment to Financing Sources - Credit Reform, use Federal Non-Federal attribute domain value "F".

**General Fund Receipt Account**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
131000 (F) Accounts Receivable	440		
577500 (F) Nonbudgetary Financing Sources Transferred In		440	C420
599400 (G) Offset to Non-Entity Accrued Collections - Statement of Changes in Net Position	440		
298500 (G) Liability for Non-Entity Assets Not on Statement of Custodial Activity		440	C405

The first entry in the financing fund increases the present value of the receivables, and the second entry accrues the transfer-out to the general fund receipt account. As with upward adjustments, the budget rules are that the actual cash transfer will not take place until the following year. The negative expense accrual is reflected in the program fund.

The General Fund Receipt Account does not belong to the agency; however, it is maintained by the agency and must be reported in the agency financial statements as Non-Entity. The agency performs the elimination between the credit agency payable (299000 in financing fund) and the general fund receipt account receivable (131000) for purposes of compiling its agency-wide financial statements and for the government-wide financial statements.

*Financial Statement Effects*

The effect of the proprietary entries on the financial statements and credit program note is as follows:

- The debit to account 139900 would reduce that account in the credit program note, and would increase the value of credit program assets on the balance sheet.
- The credit to account 680000 [subsidy Re-estimate] in the program fund would reduce subsidy expense and the net cost of operations, yielding, a net cost of operations of -\$440.
- The statement of budgetary resources would not be affected, because there are no budgetary entries made for the accrual of downward re-estimates.
- The General Fund Receipt Account entry to GL 599400 affects the Statement of Changes in Net Position, while the GL 579100 entries in the program and financing funds offset one another. The net effect would be to book an accrued financing source against the net cost (contra cost, downward re-estimate).

**Direct Loan Agency**  
**(Resulting from Downward Re-estimate Transactions in Year )**

		<b>STATEMENT OF CHANGES IN NET POSITION</b>						
		<b>Program Fund</b>		<b>Financing Fund</b>		<b>General Fund Receipt Account</b>	<b>Total</b>	
		Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations		Cumulative Results of Operations	Unexpended Appropriations
	<b>Cumulative Results of Operations:</b>							
	<b>Budgetary Financing Sources:</b>							
1.	Beginning Balance	-		-			-	
3.	Beginning Balance, Adjusted	-		-			-	
11.	Transfers-In /Out Without Reimbursement(577500E, 577600E)			440		(440)	440	
13.	Other (+/-) (579100E, 599400E)	440		(440)		440	440	
14.	Total Financing Sources	<u>440</u>		=		=	<u>440</u>	
15.	Net Cost of Operations (+/-)	(440)		-		-	(440)	

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16.	Net Change (calc. 14-15)	<u>440</u>					<u>(440)</u>	
17.	<b>Cumulative Results of Operations (calc. 3+16)</b>	<u>-</u>					<u>-</u>	
	<b>Unexpended Appropriations:</b>							
	<b>Budgetary Financing Sources:</b>							
18.	Beginning Balance		-					-
20.	Beginning Balance, Adjusted		-					-
21.	Appropriations Received (310100E)		(440)					(440)
24.	Appropriations Used (310700E)		<u>440</u>					<u>440</u>
25.	Total Budgetary Financing Sources (calc. 21..24)		=					=
26.	Total Unexpended Appropriations (calc. 20 + 25)		=					=
27.	<b>Net Position (calc. 17 + 26)</b>		=					=

*GTAS*

When a credit agency with a downward subsidy re-estimate payable to the general fund receipt account reports its trial balance of proprietary accounts to Treasury via the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS for the proprietary accounts), it will include the accounts detailed above, including the entries for the General Fund Receipt Account. The agency will perform the elimination between the credit agency payable (299000 in financing fund) and the general fund receipt account receivable (131000) for purposes of compiling its agency-wide financial statements and for the government-wide financial statements. The agency should reflect the miscellaneous receipt fund as non-entity.

Please refer to the General Fund Receipt Account Guide for information on these transactions involving the general fund.

**FISCAL YEAR 2**

In Year 2, the cash to satisfy the liability to the miscellaneous receipt fund would be transferred to that fund from the credit agency's financing fund. The following entries would be required.

**1. To record indefinite or definite authority.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
414100 Current-Year Borrowing Authority Realized	440		
445000 Unapportioned Authority		440	A152
<b><u>Proprietary Entry</u></b>			
None			

**2. To obtain an apportionment.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority	440		
451000 Apportionments		440	A116
<b><u>Proprietary Entry</u></b>			
None			

**3. To allot the apportionment.**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
451000 Apportionments	440		
461000 Allotments – Realized Resources		440	A120
<b><u>Proprietary Entry</u></b>			
None			

**4. Borrowed from the Fiscal Service the full amount required to transfer the downward re-estimate.**

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
414800 Resources Relaised from Borrowing Authority Converted to Cash	440		
414500 Borrowing Authority Converted to Cash		440	A156
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	440		
251000 (F) Principal Payable to the Bureau of the Fiscal Service		440	

**5. To transfer the money.**

**Program Fund**

To record the reclassification of unfunded expenses.

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
680000 (N) Future Funded Expenses [Subsidy Re- estimate]	440		
619900 (N) Adjustment to Subsidy Expense		440	D113

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
461000 Allotments – Realized Resources	440		
490200 Delivered Orders – Paid [Re-estimate Subsidy and Interest]		440	B106 D112 A141
<b><u>Proprietary Entry</u></b>			
299000 (G) Other Liabilities Without Related Budgetary Obligations	440		
219000 (F) Other Liabilities With Related Budgetary Obligations		440	
219000 (F) Other Liabilities With Related Budgetary Obligations	440		
101000 (G) Fund Balance With Treasury		440	

**General Fund Receipt Account**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	440		
131000 (F) Accounts Receivable		440	C146
599300 (G) Offset to Non-Entity Collections, Statement of Changes in Net Position	440		
599400 (G) Offset to Non-Entity Accrued Collections, Statement of Changes in Net Position		440	D585

***Financial Statement Effects***

Although the money is transferred from the Financing Fund to the General Fund Receipt Account, there would be no effect on either the Balance Sheet, the Statement of Net Cost, or the Changes in Net Position because the cash (SGL 101000-from year 2) and the liability (SGL 298500-from year one) remaining in the General Fund Receipt Account remain on the agency books/statements (General Fund Receipt Account is included on the agency's financial statements, see year one above).

Please note that in this example the transfer of the downward reestimate in Year 2 was for the same amount as was accrued. However, if there was a difference in the amount of the downward reestimate in Year 2, the difference would be treated similarly to negative subsidy (please see appendix III). If the executed/funded downward reestimate was for an additional amount it would reflect a debit to USSGL account 579100 and credit to 619900 in the Program Fund; debits to USSGL accounts 139900, 577600, 461000 and credits to USSGL accounts 579100, 101000, 490200 in the Financing Fund; and debits to USSGL accounts 101000, 599300 and credits to USSGL accounts 577500, 298500 in the General Fund Receipt Account (the signs would be reversed if the amount was lower).

**6. To record the Preclosing of General Fund Receipt Account associated with fund balance at yearend.**

**General Fund Receipt Account**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 298500 (G) Liability for Non-Entity Assets Not Reported on the Statement of Custodial Activity 101000 (G) Fund Balance With Treasury	440	440	F124

There are no budgetary entries. The financial statement effects are to transfer the funds to Fiscal Service and reduce the liability on the Balance Sheet. Funds are swept by U.S. Treasury via CARS.

The statements of budgetary resources would appear as shown below (for these transactions only):

**DISCRETIONARY PROGRAM**  
**(Resulting from Downward Re-estimate Transactions in Year 2)**

<b>STATEMENT OF BUDGETARY RESOURCES</b>				
		<b>Budgetary</b>	<b>Non- Budgetary Financing Account</b>	<b>Total</b>
	<b>Budgetary Resources:</b>			
1490	Borrowing Authority (discretionary and mandatory) (414100E)	-	440	440
1910	Total budgetary resources	<u>\$-</u>	<u>\$440</u>	<u>\$440</u>
	<b>Status of Budgetary Resources:</b>			
2190	New obligations and upward adjustments (490200E)	-	440	
2500	Total budgetary resources This line is calculated. Equal sum of lines 2001 through 2403. This amount equals the amount on line 1910 of the Schedule of Budgetary Resources.	<u>\$-</u>	<u>\$440</u>	
	<b>Change in Obligated Balance</b>			
3012	New obligations and upward adjustments (total) ( 490200E)	-	440	
3020	Outlays (gross) (-) (490200E)	-	440	
3200	Obligated balance, end of year (+ or -) This line is calculated. Equals the sum of detailed obligated balance lines 3000, 3001, 3010, 3011, 3020, 3030, 3031, 3040, 3041, 3060, 3061, 3070, 3071, 3080, and 3081. Also equals sum of lines 3050 and 3090.	-	440	
4175	Budget authority, gross (discretionary and mandatory) This line is calculated. Equals sum of SBR lines 1290, 1490, 1690 and 1890.	=	<u>440</u>	
4180	Budget authority, net (total) (discretionary and mandatory)	=	<u>440</u>	
4185	Outlays, gross (discretionary and mandatory)	=	<u>440</u>	

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4187	Actual offsetting collections (discretionary and mandatory) (-)	=	<u>(440)</u> <sup>70</sup>	
4190	Outlays, net (total) (discretionary and mandatory)	=	=	

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<sup>70</sup>Although the deposit is to the miscellaneous receipt fund, the crosswalk is to a financing fund account. This is because the miscellaneous receipt fund is a Treasury entity, even though it is associated with the credit agency in the Federal Budget and the credit agency does not make budgetary entries to the fund. Accordingly, the account crosswalked, which the credit agency would have available in its budgetary trial balance for the financing fund, is 490200 in that fund. Note that this represents the obligation that resulted in the deposit being made to the miscellaneous receipt fund.

**APPENDIX 3: NEGATIVE SUBSIDY**

**1. To record authority after law is passed.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
414100 Current-Year Borrowing Authority Realized	1,080		
445000 Unapportioned Authority		1,080	A152
<b><u>Proprietary Entry</u></b>			
None			

**2. To record apportionment.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
445000 Unapportioned Authority	1,080		
451000 Apportionments [Loans]		1,000	
451000 Apportionments [Neg Subs]		80	A116
<b><u>Proprietary Entry</u></b>			
None			

**3. To record allotment.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
451000 Apportionments [Loans]	1,000		
451000 Apportionments [Neg Subs]	480		
461000 Allotments – Realized Resources [Loans]		1,000	
461000 Allotments – Realized Resources [Neg Subs]		480	A120
<b><u>Proprietary Entry</u></b>			
None			

**4. The agency obligates a \$1,000 loan with a negative 8% subsidy rate (80).**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
461000 Allotments – Realized Resources [Loans]	1,000		
461000 Allotments – Realized Resources [Neg Subs]	80		
480100 Undelivered Orders – Obligations, Unpaid [Loans]		1,000	
480100 Undelivered Orders – Obligations, Unpaid [Neg Subs]		80	B306
<b><u>Proprietary Entry</u></b>			
None			

**Transaction 5A and 5B should be done simultaneously.**

**5A. To borrow funds from Treasury**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
414800 Resources Realized From Borrowing Authority	540		
414500 Borrowing Authority Converted to Cash		540	A156
<b><u>Proprietary Entry</u></b>			
101000 (G) Fund Balance With Treasury	540		
251000 (F) Principal Payable to the Bureau of the Fiscal Service		540	

**5B. To record disbursements to borrower \$500.**

**Financing Fund**

	<b>DR</b>	<b>CR</b>	<b>TC</b>
<b><u>Budgetary Entry</u></b>			
480100 Undelivered Orders – Obligations, Unpaid [Loans]	500		
490200 Delivered Orders – Obligations, Paid [Loans]		500	C408
<b><u>Proprietary Entry</u></b>			
135000 (N) Loans Receivable	500		
101000 (G) Fund Balance With Treasury		500	

**5C. To record negative subsidy disbursement (New TCs).**

**Program Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 57910071 (F) Adjustment to Financing Sources – Credit Reform 619900(N) Adjustment to Subsidy Expense	40	40	D150

**Financing Fund**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> 480100 Undelivered Orders – Obligations, Unpaid [Neg Subs] 490200 Delivered Orders – Obligations, Paid [Neg Subs]	40	40	D149
<b><u>Proprietary Entry</u></b> 139900 (N) Allowance for Subsidy 57910072 (F) Adjustment to Financing Sources – Credit Reform 577600 (F) Nonbudgetary Financing Sources Transferred Out 101000 (G) Fund Balance With Treasury	40 40 40	40 40	E509

71 When using USSGL account 579100, Adjustment to Financing Sources - Credit Reform, use Federal Non-Federal attribute domain value "F".

72 When using USSGL account 579100, Adjustment to Financing Sources - Credit Reform, use Federal Non-Federal attribute domain value "F".

**General Fund Receipt Account**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 101000 (G) Fund Balance With Treasury	40		
577500 (F) Nonbudgetary Financing Sources Transferred In		40	C155
599300 (G) Offset to Non-Entity Collections Statement of Changes in Net Position	40		
298500 (G) Liability for Non-Entity Assets Not Reported on Statement of Custodial Activity		40	C147

**Preclosing Entry**

**6. To record the closing of General Fund receipt accounts associated with fund balance at yearend**

**General Fund Receipt Account**

	DR	CR	TC
<b><u>Budgetary Entry</u></b> None			
<b><u>Proprietary Entry</u></b> 298500 (G) Liability for Non-Entity Assets Not Reported on the Statement of Custodial Activity	40		
101000 (G) Fund Balance With Treasury		40	F124

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YEAR 1

Preclosing Adjusted Trial Balance					
	Program Fund Debit/Credit	Financing Fund Debit/Credit	GFR	Eliminations	Consolidated
<u>Accounts</u>					
<u>Budgetary</u>					
414100 Current-Year Borrowing Authority Realized		1,080			1,080
414500 Borrowing Authority Converted to Cash		(540)			(540)
414800 Resources Realized From Borrowing Authority		540			540
480100 Undelivered Orders - Obligations, Unpaid		(500)			(500)
480100 Undelivered Orders - Obligations, Unpaid		(40)			(40)
490200 Delivered Orders - Obligations, Paid [Re-est. Sub]		(500)			(500)
490200 Delivered Orders - Obligations, Paid [Other]		(40)			(40)
<b>Preclosing Adjusted Trial Balance (Continued)</b>					
<u>Proprietary</u>					
101000 (G) Fund Balance With Treasury					
135000 (N) Loans Receivable		500			500
139900 (N) Allowance for Subsidy		40			40
251000 (F) Principal Payable to the Bureau of the Fiscal Service		(540)			(540)
298500 (G) Liability for					

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Non-Entity Assets Not on Statement of Custodial Activity					
577500 (G) Nonbudgetary Financing Sources Transferred In			(40)	40	-
577600 (G) Nonbudgetary Financing Sources Transferred Out		(40)		(40)	-
579100 (F) Adjustment to Financing Sources – Credit Reform	40	(40)			-
599300 (G) Offset to Non-Entity Collections - Statement of Changes in Net Position			40		40
619900 (N) Adjustment to Subsidy Expense		(40)			(40)
<b>Total</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>

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For the 1<sup>st</sup> Quarter ended September 30, Year 1

<b>STATEMENT OF BUDGETARY RESOURCES</b>				
		<b>Budgetary</b>	<b>Non-Budgetary Financing Account</b>	<b>Total</b>
	<b>Budgetary Resources:</b>			
1000	Unobligated balance, brought forward, October 1		-	-
1051	Unobligated balance from prior year budget authority, net This line is calculated. Equals sum of SBR lines 1000, 1020, 1021, and 1043.		-	-
1490	Borrowing Authority (discretionary and mandatory) (414100E)		1,080	1,080
1910	Total budgetary resources		<u>\$1,080</u>	<u>\$1,080</u>
	<b>Status of Budgetary Resources:</b>			
2190	New obligations and upward adjustments (total) (480100E-480100B, 490200E)		1,080	1,080
	<b>Unobligated balance, end of year:</b>		-	-
2204	Apportioned, unexpired account (461000E)		-	-
2500	Total status of budgetary resources		1,080	1,080

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<b>STATEMENT OF BUDGETARY RESOURCES</b>				
	<b>Change in obligated balance</b>			
3012	New obligations and upward adjustments(total) (480100E-480100B, 490200E)		1,080	1,080
3020	Outlays (gross) (-) (490200E)		(540)	(540)
3050	Unpaid obligations, end of year (480100E-480100B)		540	540
	<b>Memorandum (non add) entries</b>			
3200	Obligated balance, end of year (+ or -)		<u>1,080</u>	1,080
	<b>Budget Authority and Outlays, Net:</b>			
4175	Budget authority, gross (discretionary and mandatory)		1,080	1,080
4180	Budget authority, net (total) (discretionary and mandatory)		<u>1,080</u>	<u>1,080</u>
4185	Outlays, gross (discretionary and mandatory)		540	540
4190	Outlays, net (total) (discretionary and mandatory)		540	540

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As of 1<sup>st</sup> Quarter September 30, Year 1

	BALANCE SHEET	Program Fund	Financing Fund
	<b>Assets:</b>		
	Intragovernmental		
1.	Fund Balance With Treasury (101000E)		-
6.	Total Intragovernmental (calc.)		-
11.	Direct Loan and Loan Guarantees, Net (134100E, 135000E, 139900E)		540
15.	Total Assets (calc.)		<u>540</u>
	<b>Liabilities:</b>		
18.	Debt (251000E)		540
19.	Other (299000E)		-
20.	Total Intragovernmental		540
28.	Total Liabilities (calc.)		540
	<b>Net Position:</b>		
33.	Cumulative Results of Operations - All Other Funds (579100E, 599300E, 619900E)		-
35.	Total Net Position - All Other Funds (calc.)		-
36.	Total Net Position (calc.)		-
37.	Total Liabilities and Net Position (calc.)		<u>540</u>

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STATEMENT OF NET COST			
	Program Fund	Financing Fund	Total
<b>Gross Program Costs:</b>			
1. Gross costs (619900E)		(40)	(40)
3. Net program costs (calc. 1-2)		(40)	(40)
6. Costs not assigned to programs			
7. Less: earned revenues not attributed to programs			
8. Net cost of operations (calc. 5+6-7)	(40)	(40)	(40)

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For Fiscal Year Ended September 30, FY-1

STATEMENT OF CHANGES IN NET POSITION							
		Program Fund		Financing Fund <sup>73</sup>		Total	
		Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations
	<b>Cumulative Results of Operations:</b>						
	<b>Budgetary Financing Sources:</b>						
1.	Beginning Balance						
3.	Beginning Balance, as adjusted						
5.	Appropriations Used (570000E)						
13.	Other (579100E, 599300E)			40		40	
14.	Total Financing Sources			<u>40</u>		<u>40</u>	
15.	Net Cost of Operations (+/-)			<u>(40)</u>		<u>40</u>	
16.	Net Change (calc. 14-15)			=		=	
17.	<b>Cumulative Results of Operations (calc. 3+16)</b>			=		=	

<sup>73</sup>Note that the column for unexpended appropriations would normally not be applicable, because the financing fund does not have appropriations. However, positive modification adjustment transfers are indefinite appropriated funding.

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	<b>Unexpended Appropriations:</b>						
	<b>Budgetary Financing Sources:</b>						
18.	Beginning Balance						
20.	Beginning Balance, as adjusted						
21.	Appropriations Received (310100E)						
24.	Appropriations Used (310700E)						
25.	Total Budgetary Financing Sources (calc. 21..24)						
26.	Total Unexpended Appropriations (calc. 20 + 25)						
27.	<b>Net Position (calc. 17 + 26)</b>						

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp; Budget Program and Financing Schedule (Schedule P) ACTUAL COLUMN FOR YEAR 1 REPORTING</b>				
	Program Fund		Financing Fund	
	SF133 Line	Sch P Line	SF133 Line	Sch P Line
<b>BUDGETARY RESOURCES</b>				
<b>All accounts:</b>				
0900 Total new obligations (490200E)				540
<b>Unobligated balance:</b>				
1000 Unobligated balance brought forward, October 1			-	-
<b>Budget Authority:</b>				
<b>Mandatory:</b>				
1400 Borrowing authority (414100E)			1,080	1,080
1440 Borrowing authority total			1,080	1,080
1900 Budget authority total (disc. and mandatory)			1,080	1,080
1910 Total budgetary resources discretionary and mandatory)			1,080	1,080
1930 Total budgetary resources available			1,080	1,080
<b>STATUS OF BUDGETARY RESOURCES</b>				
<b>Obligations incurred:</b>				
<b>Direct:</b>				
2002 Category B (by project) (480100E, 490200E)			1,080	1,080
2004 Direct obligations (total)			1,080	1,080
<b>Unobligated balance</b>				
<b>Apportioned</b>				
2201 Available in current period (461000E)			-	-
2500 Total budgetary resources. This line is calculated. Equal sum of lines 2001 through 2403. This amount equals the amount on line 1910 of the Schedule of Budgetary Resources.			1,080	1,080
<b>CHANGE IN OBLIGATED BALANCE</b>				

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<b>SF 133: Report on Budget Execution and Budgetary Resources &amp;  Budget Program and Financing Schedule (Schedule P)  ACTUAL COLUMN FOR YEAR 1 REPORTING</b>				
<b>Unpaid obligations:</b>				
3001 Adjustment to unpaid obligations, brought forward, Oct 1 (+ or -) (480100E)			(540)	(540)
3010 New Obligations, unexpired accounts (480100E – 480100B, 490200E)			(1,080)	(1,080)
3020 Outlays (gross) (-) (490200E)			540	540
3050 Unpaid obligations, end of year (480100E)			540	540
<b>Memorandum (non-add) entries:</b>				
3100 Obligated balance, start of year (+ or -) This line is calculated. Equals the sum of lines 3000, 3001, 3060, and 3061.			(540)	(540)
3200 Obligated balance, end of year (+ or -) This line is calculated. Equals the sum of detailed obligated balance lines 3000, 3001, 3010, 3011, 3020, 3030, 3031, 3040, 3041, 3060, 3061, 3070, 3071, 3080, and 3081. Also equals sum of lines 3050 and 3090.			540	540
<b>BUDGET AUTHORITY AND OUTLAYS, NET</b>				
<b>Mandatory:</b>				
<b>Gross budget authority and outlays:</b>				
4090 Budget authority, gross (This line is calculated. Equals the sum of mandatory budget authority [Lines 1200 through 1252, 1270 through 1273, 1400 through 1430, 1600 through 1631, and 1800 through 1842 (SF 133). Lines 1200 through 1239, 1270 through 414100E)			1,080	1,080
4100 Outlays from new mandatory authority (490200E)			540	540
4110 Outlays, gross (total) (490200E)			540	540
4160 Budget authority, net (mandatory) (This line is calculated. Equals the total new budget authority (gross) on line 4090 plus the amounts on lines 4120 through 4124 and on lines 4140, 4141 and 4143 (SF 133). Line 4090 plus the amounts on lines 4120 through 4124 and on lines 4140 and 4142 (Sch P).)			1,080	1,080
4170 Outlays, net (mandatory) (This line is calculated. Equals line 4110 plus the amounts on lines 4120 through 4124.)			540	540

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4180 Budget authority, net (discretionary and mandatory) (This line is calculated. Equals sum of lines 4070 and 4160.)			1,080	1,080
4190 Outlays, net (discretionary and mandatory) (This line is calculated. Equals sum of lines 4080 and 4170.)			540	540

**Closing Entries**

**1. To record consolidation of actual resources.**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
420100 Total Actual Resources - Collected	540		
414800 Resources Realized from Borrowing Authority		540	F302
<b><u>Proprietary Entry</u></b>			
None			

**2. To record paid delivered orders to total actual resources.**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
490200 Delivered Orders – Obligations, Paid	540		
420100 Total Actual Resources - Collected		540	F314
<b><u>Proprietary Entry</u></b>			
None			

**3. To record the closing of borrowing authority.**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
414500 Borrowing Authority Converted to Cash	540		
414900 Borrowing Authority Carried Forward	1,080		
414100 Current-Year Borrowing Authority Realized		1,080	
414900 Borrowing Authority Carried Forward		540	F306
<b><u>Proprietary Entry</u></b>			
None			

**4. To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations.**

	DR	CR	TC
<b><u>Budgetary Entry</u></b>			
None			
<b><u>Proprietary Entry</u></b>			
331000 Cumulative Results of Operations	80		
577600 (F) Nonbudgetary Financing Sources Transferred Out		40	
579100 (F) Adjustment to Financing Sources - Credit Reform		40	
577500 (F) Nonbudgetary Financing Sources Transferred In	40		
619900 (N) Adjustment to Subsidy Expense		40	
331000 Cumulative Results of Operations		40	F336

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YEAR 1-

POST-CLOSING TRIAL BALANCE					
	Program Fund Debit/Credit	Financing Fund Debit/Credit	GFR	Eliminations	Consolidated
<u>Accounts</u>					
<u>Budgetary</u>					
414900 Borrowing Authority Carried Forward		540			540
480100 Undelivered Orders - Obligations, Unpaid		(500)			(500)
480100 Undelivered Orders - Obligations, Unpaid		(40)			(40)
<b>TOTAL</b>		<b>0</b>			<b>0</b>
<u>Proprietary</u>					
101000 (N) Fund Balance With Treasury					
135000 (N) Loans Receivable		500			500
139900 (N) Allowance for Subsidy		40			40
251000 (F0) Principal Payable to the Bureau of the Fiscal Service		(540)			(540)
<b>Total</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>

## APPENDIX 4: REFERENCES

This appendix lists some key references and web sites for readers who want to obtain additional information.

### OFFICE OF MANAGEMENT AND BUDGET

- OMB Circular A-129, Policies for Federal Credit Programs and Non-Tax Receivables Accounting and Auditing Policy Committee Technical Release
- OMB Circular A-136, *Financial Reporting Requirements*
- OMB Circular A-11, *Preparation, Submission, and Execution of the Budget*
- OMB Credit Model
  - Office of Federal Financial Management (202) 395-3993
  - Website: [www.whitehouse.gov/omb](http://www.whitehouse.gov/omb)

### FEDERAL ACCOUNTING STANDARDS ADVISORY BOARD

Statement of Federal Financial Accounting Standards (SFFAS) No. 1, *Selected Assets and Liabilities*

- SFFAS No. 2, *Accounting for Direct Loans and Loan Guarantees*
- SFFAS No. 18, *Amendments to Accounting Standards for Direct Loans and Loan Guarantees*
- SFFAS No. 19, *Technical Amendments to Accounting Standards for Direct Loans and Loan Guarantees*
- Technical Release No. 3: *Preparing and Auditing Direct Loan and Loan Guarantee Subsidies Under the Federal Credit Reform Act*
- Technical Release No. 6: *Preparing Estimates for Direct Loan and Loan Guarantee Subsidies Under the Federal Credit Reform Act*
  - FASAB Staff at (202) 512-7350
  - Website: [www.fasab.gov](http://www.fasab.gov)

### TREASURY BUREAU OF THE FISCAL SERVICE

- *U.S. Standard General Ledger* (codified in *Treasury Financial Manual*)

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- USSGL Staff at (202) 874-7418
  - Website: [https://www.fiscal.treasury.gov/fsreports/ref/ussgl/ussgl\\_home.htm](https://www.fiscal.treasury.gov/fsreports/ref/ussgl/ussgl_home.htm)
- TFM Chapter 2-4600 Treasury Reporting Instructions for Credit Reform Legislation

**TREASURY BUREAU OF THE FISCAL SERVICE**

- Federal Investment Borrowings Branch; (304) 480-7488
- Website: [www.treasurydirect.gov](http://www.treasurydirect.gov)

**APPENDIX 5: CREDIT REFORM SUBCOMMITTEE**

Leon H Fleischer, Chair	SBA	Stacy Kolweier	USDA
		John S. Kushman	SBA
Rachel Beasely	TREASURY	Amanda Lammering	USDA
Patricia Brown	USDA		
Alfred Buck	USAID		
Angela Carroll	USDA		
Adam Charlton	Fiscal Service	Cloretta Lewis	USDA
Barbara J Clark	STATE	Terri Martin	OPIC
Victoria A Crouse	DOD	Jennifer Magrath	USDA
Tyler Curtis	OMB	Sean McMahon	ED
Andrea David	USAID	Robert A. Montgomery	SBA
Katherine Day	DOD	Michelle Murphy	VA
Dorothy Dicks	TREASURY	Mary Onofrio	NOAA
Kevin Dugas	DOT	Eileen Parlow	SEC
Chris Dyson	ED	Mike K. Peterson	SBA
Joy Elder	TREASURY	Steve D. Ramey	SBA
Tracy Galloway	USDA	Jill Reeves	TREASURY
Margaret Gebhard	OMB	Alice Rice	DOD
Leslie P. Godsey	SBA	Chantha Seng	USDA
Peggy Grygiel	TREASURY	Michael Smith	FCC
Crystal Hanna	TREASURY	Jill Stalnaker	TREASURY
Pamela Heijmans	OMB	Nora Stein	OMB
Joseph O. Henry	SBA	Yong Sun	HUD
Robert Holliday	TREASURY	Lindsey Syron	USDA
Stacy Ida	TREASURY	Teresa Tancre	OMB
Loretta Jenkins	USDA	Greg Thebeau	USDA
James Jordan	USDA	James White	HUD
Kim Klein	DOE	William Willer	USDA
Angela Klevorn	USDA	Kam Yu	USDA
Rhonda Knolhoff	USDA		