

## Exchange Stabilization Fund Changes

### Proposed New USSGL Account 2017:

**Account Title:** Interest Collected From Foreign Securities and Special Drawing Rights (SDR)

**Account Number:** 426800

**Normal Balance:** Debit

**Definition:** The amount of interest collected during the fiscal year from foreign securities. The amount of the net change consisting of interest, charges and assessments related to SDR's. Although the normal balance in this account is a debit, it is acceptable in certain instances for this account to have a credit balance when a loss is recognized. This USSGL account is to be used only by the Department of the Treasury.

**Justification:** The Exchange Stabilization Fund is now incurring negative interest in their foreign investments.

### Attribute Table Changes for FY 2017:

USSGL Acct.	USSGL Account Title	Anticipated	Budg /Prop	Norm Bal	Begin /End	Debit/ Credit	Auth Type Code	Apport Cat	Apport Cat B
426800	Interest Collected From Foreign Securities and Special Drawing Rights	N	B	D	E	D/C			

USSGL Acct.	Avail Time	BEA Cat	Budgetary Impact Indicator	Cohort Yr	Cust/ Noncust	Exch/ Nonexch	Fed/ NonFed	Trading Ptnr	Trading Ptnr Main	PY Adj	Program Indicator
426800		M								B/P/X	

USSGL Acct.	Program Rpt Cat	Reimb Flag	Year of BA	Reduction Type	Fund Type	Reporting Type Code	Financing Account Code	TAS Status	Trans Code
426800					EP	U	N	U	N

USSGL Account	SF 133	Schedule P	Bal Sheet	Stmt of Net Cost	Stmt of Changes in Net Pos	Stmt of Cust Activ	Stmt of Budg Res	Reclass Stmts
426800	Lines 1020 1800 4123	Lines 1020 1800 4123	N/A	N/A	N/A	N/A	Lines 1890 4176 4187	N/A

Validation #53 that is for ESF will also be updated for 426800.

Changes to Existing ESF USSGL account 2017

**Account Title:** ~~Other~~ Gains for ~~Accrued Special Drawing Right (SDR)~~ Exchange Stabilization Fund (ESF) **Accrued** Interest and Charges

**Account Number:** 719100

**Normal Balance:** Credit

**Definition:** ~~When SDR interest rate changes, accrued SDR interest/charges reflect a gain in the following circumstances: if interest rates increase, the gain is recorded in SDR interest; if interest rates decrease, then a gain is recorded in SDR charges. This USSGL account is to be used only by the Department of the Treasury.~~

When the Special Drawing Right (SDR) and foreign exchange rates change, accrued SDR interest/charges and accrued interest on foreign securities reflect a gain in the following circumstances: if the SDR-USD, Euro-USD, or Yen-USD exchange rate increases, a gain is recorded on SDR accrued interest and accrued interest on foreign securities as applicable; if the SDR-USD exchange rate decreases, a gain is recorded on accrued SDR charges. This USSGL account is to be used only by the Department of Treasury.

*Justification: To expand on the definition.*

**Account Title:** ~~Other~~ Losses for ~~Accrued Special Drawing Right (SDR)~~ Exchange Stabilization Fund (ESF) **Accrued** Interest and Charges

**Account Number:** 729100

**Normal Balance:** Debit

**Definition:** ~~When SDR interest rates change, accrued interest/charges result in a loss in the following circumstances: if interest rates decrease, then a loss is recorded in SDR interest; if interest rates increase, then a loss is recorded in SDR charges. This USSGL account is to be used only by the Department of the Treasury.~~

When the Special Drawing Right (SDR) and foreign exchange rates change, accrued SDR interest/charges and accrued interest on foreign securities reflect a loss in the following circumstances: if the SDR-USD, Euro-USD, or Yen-USD exchange rate decreases, a loss is recorded on SDR accrued interest and accrued interest on foreign securities as applicable; if the SDR-USD exchange rate increases, a loss is recorded in SDR accrued charges. This USSGL account is to be used only by the Department of Treasury.

*Justification: To expand on the definition.*

**There are changes to 16 Transaction Codes**

**B210** To record the payment of remuneration.

**Comment:** For the Department of Treasury use only. Due to the unique budgetary reporting by the Exchange Stabilization Fund, no outlay is reported.

**Reference:** Other Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

Debit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

Debit 490100 Delivered Orders - Obligations, Unpaid

~~Credit 426600 Other Actual Business-Type Collections From Non-Federal Sources~~

**Credit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

**Proprietary Entry**

Debit 211000 Accounts Payable

Debit 633800 Remuneration Interest

Credit 161000 Investments in U.S. Treasury Securities Issued by the Bureau of the Fiscal Service

**B446** To record the IMF Annual Assessment.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

Debit 490100 Delivered Orders - Obligations, Unpaid

~~Credit 426600 Other Actual Business-Type Collections From Non-Federal Sources~~

**Credit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

**Proprietary Entry**

Debit 211000 Accounts Payable

~~Debit 679000 Other Expenses Not Requiring Budgetary Resources~~

Credit 119400 Exchange Stabilization Fund Assets - Holdings of Special Drawing Rights

~~Credit 610000 Operating Expenses/Program Costs~~

**C113** To record receipt of coupon payment and interest collection on non-federal securities.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120900 Uninvested Foreign Currency

Debit 167000 Foreign Investments

Credit 134200 Interest Receivable – Investments

**C115** To record interest payments received from ESF foreign currency investments for Time Deposits, Overnight Deposits, and Reverse Repurchase Agreements.

**Comment:** For the Department of the Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120500 Foreign Currency Denominated Equivalent Assets

Credit 138400 Interest Receivable - Foreign Currency Denominated Assets

**C119** To record the receipt of remuneration.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 119400 Exchange Stabilization Fund Assets - Holdings of Special Drawing Rights

Credit 579000 Other Financing Sources

**C126** To record maturity and reversing interest accrual for Exchange Stabilization Fund investments.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120900 Uninvested Foreign Currency

Credit 120500 Foreign Currency Denominated Equivalent Assets

Credit 134200 Interest Receivable - Investments

Credit 138400 Interest Receivable - Foreign Currency Denominated Assets

Credit 167000 Foreign Investments

**C127** To record the maturity of non-federal Exchange Stabilization Fund securities (long-term bonds) sold at PAR and receive a coupon payment.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120900 Uninvested Foreign Currency

Credit 134200 Interest Receivable - Investments

Credit 167000 Foreign Investments

**C157** To record the capitalization of interest on Exchange Stabilization Fund foreign currency investments.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120500 Foreign Currency Denominated Equivalent Assets

Credit 138400 Interest Receivable - Foreign Currency Denominated Assets

**C419** To record accrual of interest receivable on non-federal securities with a bond premium.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

Debit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

~~Credit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Credit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

**Proprietary Entry**

Debit 134200 Interest Receivable - Investments

Credit 167200 Premium on Foreign Investments

Credit 531100 Interest Revenue – Investments

**C423** To record accrual of interest receivable on non-federal securities with a bond discount.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 134200 Interest Receivable - Investments

Debit 167100 Discount on Foreign Investments

Credit 531100 Interest Revenue – Investments

**C600** To record the sale of non-federal securities (long-term bonds) by the Exchange Stabilization Fund at a premium

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120900 Uninvested Foreign Currency

Credit 134200 Interest Receivable - Investments

Credit 167000 Foreign Investments

Credit 167200 Premium on Foreign Investments

**C601** To record the sale of non-federal securities (long-term bonds) by the Exchange Stabilization Fund at a discount.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 120900 Uninvested Foreign Currency

Debit 167100 Discount on Foreign Investments

Credit 134200 Interest Receivable - Investments

Credit 167000 Foreign Investments

**D610** To record the realized gain from the revaluation to US dollars for Special Drawing Right allocations.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 490100 Delivered Orders—Obligations, Unpaid~~

**Debit 497100 Downward Adjustments of Prior-Year Unpaid Delivered Orders - Obligations, Recoveries**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 219300 Allocation of Special Drawing Rights (SDRs)

Credit 719000 Other Gains

**D612** To record SDR interest and charges accrual with a net effect of an unrealized gain.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

Debit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

~~Credit 490100 Delivered Orders - Obligations, Unpaid~~

**Credit 498100 Upward Adjustments of Prior-Year Delivered Orders - Obligations, Unpaid**

**Proprietary Entry**

Debit 134400 Interest Receivable on Special Drawing Rights

Debit 633000 Other Interest Expenses

**Debit 729100 Other Losses for Accrued Special Drawing Right (SDR) Interest and Charges**

Credit 214000 Accrued Interest Payable - Not Otherwise Classified

Credit 531100 Interest Revenue - Investments

Credit 719100 Other Gains for Accrued Special Drawing Right (SDR) Interest and Charges

**D614** To record SDR interest and charges accrual with a net effect of an unrealized loss.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

Debit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

~~Credit 490100 Delivered Orders - Obligations, Unpaid~~

**Credit 498100 Upward Adjustments of Prior-Year Delivered Orders - Obligations, Unpaid**

**Proprietary Entry**

Debit 134400 Interest Receivable on Special Drawing Rights

Debit 633000 Other Interest Expenses

**Debit 729100 Other Losses for Accrued Special Drawing Right (SDR) Interest and Charges**

Credit 214000 Accrued Interest Payable - Not Otherwise Classified

Credit 531100 Interest Revenue - Investments

**Credit 719100 Other Gains for Accrued Special Drawing Right (SDR) Interest and Charges**

**D616** To record the tru up of Special Drawing right interest accrual and charges for the Quarter.

**Comment:** For the Department of Treasury use only.

**Reference:** Other USSGL Guidance: Accounting and Reporting Exchange Stabilization Fund

**Budgetary Entry**

~~Debit 426600 Other Actual Business Type Collections From Non-Federal Sources~~

**Debit 426800 Interest Collected From Foreign Securities and Special Drawer Rights**

~~Debit 490100 Delivered Orders—Obligations, Unpaid~~

**Debit 497100 Downward Adjustments of Prior-Year Unpaid Delivered Orders - Obligations, Recoveries**

Credit 463500 Funds Not Available - Adjustments to the Exchange Stabilization Fund

**Proprietary Entry**

Debit 119400 Exchange Stabilization Fund Assets - Holdings of Special Drawing Rights

Debit 214000 Accrued Interest Payable - Not Otherwise Classified

Credit 134400 Interest Receivable on Special Drawing Rights

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