

ECONOMY ACT

REIMBURSABLE BUY/SELL ACTIVITY

EFFECTIVE FISCAL 2022

PREPARED BY:

GENERAL LEDGER AND ADVISORY BRANCH

FISCAL ACCOUNTING OPERATIONS

BUREAU OF THE FISCAL SERVICE

U.S. DEPARTMENT OF THE TREASURY

Version Control

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| Version | Date | Author(s) | Reviewer(s) | Description of Changes |
| 1.0 | 9/2002 | N/A | N/A |  |
| 2.0 | 4/7/2022 | Kyle Moore |  | Updated with new Branch SOP format and scenario formatting details. Updated USSGL Accounts and Transactions |
| 2.1 | 11/22/2024 | Terence Caldwell | Josh Hudkins | Updated scenario to properly align with GTAS edits that were added after the scenario published in 2022. |

# Background

The Economy Act of 1932, as amended, 31 U.S.C. § 1535, permits Federal Government agencies to purchase goods or services from other Federal Government agencies or other major organizational units within the same agency. An Economy Act purchase is permitted only if: (1) amounts for the purchase are actually available, (2) the purchase is in the best interest of the Government, (3) the ordered goods or services cannot be provided by contract from a commercial enterprise, i.e., the private sector, as conveniently or cheaply as could be by the Government, and (4) the agency or unit to fill the order is able to provide or get by contract the

ordered goods or services.

The Federal Acquisition Regulations (FAR), 48 CFR 17.5 provides further requirements for Economy Act agreements. The FAR provides that an order cannot be placed under the Economy Act if a more specific statutory authority exists. Purchases pursuant to the Economy Act are not exempt from the requirements of 48 CFR 7.3, “Contractor Versus Government Performance.”

Thus, Office of Management and Budget (OMB) Circular No. A-76 applies to Economy Act agreements. Economy Act agreement must achieve full cost recovery, and there is no law permitting a waiver of this full cost recovery requirement. Full cost recovery includes direct and indirect costs.

Further, the Economy Act does not allow a Federal agency or unit to receive a profit when providing goods or services.

The FAR states that Economy Act orders must include (1) a description of the supplies or services required; (2) delivery requirements; (3) a funds citation; (4) a payment provision; and (5) acquisition authority as may be appropriate.

Section 20.10 of OMB Circular No. A-11 states “When a reimbursable agreement with another Federal account is accompanied by a cash advance, you may disburse to pay obligations associated with that advance. However, if you are authorized to incur

obligations against customer orders from other Federal accounts without an advance, the order establishes obligational authority only and you may not disburse the account into a negative position (see section 145.2 on Antideficiency Act violations).”

Based on the period of availability of the ordering agency Treasury Appropriation Fund Symbol (TAFS), section 130.9 of A-11 includes a table detailing periods of availability of the performing agency TAFS. The OMB Circular No. A-11 can be found at:

[Circulars | The White House](https://www.whitehouse.gov/omb/information-for-agencies/circulars/#budget)

Many Economy Act transactions will be processed in G-Invoicing. G-Invoicing is not an accounting system, but rather a central repository to support the accounting of Buy/Sell transaction events. Please reference the G-Invoicing Program Guide for Basic Accounting and Reporting Scenario (FY 2022) for further information on G-Invoicing.

[The U.S. Standard General Ledger - USSGL Implementation Guidance (treasury.gov)](https://www.fiscal.treasury.gov/ussgl/resources-implementation.html#specialized)

For further information on Buy/Sell Intragovernmental Transactions (IGT) please reference TFM Volume 1, Part 2, Chapter 4700, Appendix 8.

[I TFM PART 2 CHAPTER 4700: FEDERAL ENTITY REPORTING REQUIREMENTS FOR THE FINANCIAL REPORT OF THE UNITED STATES GOVERNMENT (treasury.gov)](https://tfm.fiscal.treasury.gov/v1/p2/c470.html)

Listing of USSGL Accounts Used in This Scenario

|  |  |
| --- | --- |
| Account | Account Description |
| Budgetary |  |
| 411900 | Other Appropriations Realized |
| 421000 | Anticipated Reimbursements |
| 422100 | Unfilled Customer Orders Without Advance |
| 422200 | Unfilled Customer Orders With Advance |
| 425100 | Reimbursements Earned - Receivable |
| 425200 | Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources |
| 445000 | Unapportioned – Unexpired Authority |
| 449000 | Anticipated Resources – Unapportioned Authority |
| 451000 | Apportionments |
| 459000 | Apportionments - Anticipated Resources - Programs Subject to Apportionment |
| 461000 | Allotments - Realized Resources |
| 480100 | Undelivered Orders - Obligations, Unpaid |
| 480200 | Undelivered Orders – Obligations, Prepaid/Advanced |
| 490100 | Delivered Orders - Obligations, Unpaid |
| 490200 | Delivered Orders - Obligations, Paid |
|  |  |
| Proprietary |  |
| 101000 | Fund Balance With Treasury |
| 131000 | Accounts Receivable |
| 141000 | Advances and Prepayments |
| 175000 | Equipment |
| 175900 | Accumulated Depreciation on Equipment |
| 211000 | Accounts Payable |
| 231000 | Liability for Advances and Prepayments |
| 310000 | Unexpended Appropriations |
| 310100 | Unexpended Appropriations - Appropriations Received |
| 310700 | Unexpended Appropriations - Used - Accrued |
| 310710 | Unexpended Appropriations – Used - Disbursed |
| 331000 | Cumulative Results of Operations |
| 420100 | Total Actual Resources – Collected |
| 510000 | Revenue From Goods Sold |
| 520000 | Revenue From Services Provided |
| 570000 | Expended Appropriations– Used - Accrued |
| 570010 | Expended Appropriations - Disbursed |
| 610000 | Operating Expenses/Program Costs |
| 650000 | Cost of Goods Sold |
| 671000 | Depreciation, Amortization, and Depletion |
|  |  |
| Memorandum |  |
| 880100 | Offset for Purchases of Assets |
| 880200 | Purchases of Property, Plant, and Equipment |
|  |  |
|  |  |

This scenario portrays reimbursable Economy Act transactions in which the ordering agency and performing agency both have annual TAFs. Transactions highlight the following points.

* Reimbursable operations under the Economy Act between two annual TAFS
* Budget authority provided through offsetting collections
* Performing activity receives orders with and without advances
* Availability of funds as applied to reimbursable agreements between ordering and performing entities
* Reduce unfilled customer orders to obligation balance due to an expiring appropriation of the ordering entity, in accordance with the Economy Act

Performing fund activity is shown in all transactions and in the accompanying reports and financial statements. Ordering fund transactions are shown only when applicable to the fund’s activities with the performing fund. Therefore, no reports or financial statements are displayed for the ordering fund. Also, it is presumed that the ordering fund uses general fund appropriations.

The Economy Act has two parts. Without Advances and With Advances. It is important that agencies determine which part of the scenario applies to them. “Economy Act (Without Advances)” begins on the following page and the “Economy Act (With Advances)” begins on page 32.

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. The agency’s annual Appropriations Act provides $150,000 in appropriated funds to the performing agency. A warrant for $150,000 is issued to the performing fund. In this scenario, the other funding source is the direct appropriation. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  Not Applicable |  |  |  | Budgetary Entry  411900 (D) Other Appropriations Realized  445000 (D) Unapportioned – Unexpired Authority  Proprietary Entry  101000 Fund Balance With Treasury  310100 Unexpended Appropriations - Appropriations Received | 150,000  150,000 | 150,000  150,000 | A104 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 2. The performing agency anticipates $50,000 in spending authority from offsetting collections (reimbursable.) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  421000 (R)Anticipated Reimbursements  449000 (R) Anticipated Resources – Unapportioned Authority  Proprietary Entry  None. | 50,000 | 50,000 | A702 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 3. An agency submits an apportionment/reapportionment schedule to the Office of Management and Budget (OMB) requesting apportionment. OMB subsequently approves. ($150,000 (i.e. Direct) general fund appropriation + $50,000 (i.e. Reimbursable) anticipated from spending authority from offsetting collections.) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  Not Applicable |  |  |  | Budgetary Entry  445000 (D) Unapportioned – Unexpired Authority  451000 (D) Apportionments    449000 (R) Anticipated Resources – Unapportioned Authority  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  Proprietary Entry  None. | 150,000  50,000 | 150,000  50,000 | A116  A118 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 4 The agency head allots the available apportionment and approves automatic allotment of resources realized (i.e. Direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  451000 (D) Apportionments  461000 (D) Allotments – Realized Resources  Proprietary Entry  None. | 150,000 | 150,000 | A120 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 5. The performing agency orders equipment. The funding came from general fund appropriations, not from reimbursable activity. (i.e. Direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (D) Allotments – Realized Resources  480100 (D) Undelivered Orders – Obligations, Unpaid  Proprietary Entry  None. | 50,000 | 50,000 | B306 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 6. The performing agency receives equipment from transaction 5. Equipment has a 5-year useful life and no salvage value. See transaction #23 for depreciation entry. Please note this order will be paid for from the direct appropriation.(i.e. Direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  480100 (D) Undelivered Orders – Obligations, Unpaid  490100 (D) Delivered Orders – Obligations, Unpaid  Proprietary Entry  175000 Equipment  211000 Accounts Payable  310700 Unexpended Appropriations – Used - Accrued  570000 Expended Appropriations – Used - Accrued  Memorandum Entry  880200 Purchases of Property, Plant, and Equipment  880100 Offset for Purchases of Assets | 50,000  50,000  50,000  50,000 | 50,000  50,000  50,000  50,000 | B402  B134  G120 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 7. The performing agency pays for equipment ordered and received in transactions 5 and 6. (i.e. Direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  490100 (D) Delivered Orders – Obligations, Unpaid  490200 (D) Delivered Orders – Obligations, Paid  Proprietary Entry  211000 Accounts Payable  101000 Fund Balance With Treasury  310710 Unexpended Appropriations – Used - Disbursed  570000 Expended Appropriations – Used - Accrued  310700 Unexpended Appropriations – Used - Accrued  570010 Expended Appropriations - Disbursed | 50,000  50,000  50,000  50,000 | 50,000  50,000  50,000  50,000 | B110  B235 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 8. The performing agency accepts order #1 from the ordering agency. The order is a $20,000 order for services from the ordering agency’s annual TAFS without an advance. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  461000 Allotments – Realized Resources  480100 Undelivered Orders – Obligations, Unpaid | 20,000 | 20,000 | B306 | Budgetary Entry  422100 (R) Unfilled Customer Orders w/o Advance  421000 (R) Anticipated Reimbursement  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  451000 (R) Apportionments  Proprietary Entry  None. | 20,000  20,000 | 20,000  20,000 | A706  A123 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 9. To record the allotment of authority. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  Not Applicable |  |  |  | Budgetary Entry  451000 (R) Apportionments  461000 (R) Allotments – Realized Resources  Proprietary Entry  None. | 20,000 | 20,000 | A120 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 10. The performing agency orders supplies that will be used in providing the necessary services to the ordering agency. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (R) Allotments – Realized Resources  480100 (R) Undelivered Orders – Obligations, Unpaid  Proprietary Entry | 10,000 | 10,000 | B306 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 11. The performing agency’s fund receives supplies from transaction 10. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  480100 (R)Undelivered Orders – Obligations, Unpaid  490100 (R) Delivered Orders – Obligations, Unpaid  Proprietary Entry  610000 Operating Expenses/Program Costs  211000 Accounts Payable  310700 Unexpended Appropriations - Used – Accrued  570000 Expended Appropriations - Used - Accrued | 10,000  10,000  10,000 | 10,000  10,000  10,000 | B402  B134 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 12. The performing agency pays for supplies ordered and received in transactions 10 and 11. (i.e., reimbursable) (See background section excerpt from section 20.10 in OMB CircularA-11. FBWT (e.g., 101000) derived from non-reimbursable budgetary resources may be used for liquidation purposes while awaiting reimbursement as long as this cash management practice does not violate any existing laws and where the TAFS’ FBWT remains in a positive position. Internal adjustments are not shown but could be necessary. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  490100 (R) Delivered Orders – Obligations, Unpaid  490200 (R) Delivered Orders – Obligations, Paid  Proprietary Entry  211000 Accounts Payable  101000 Fund Balance With Treasury  310710 Unexpended Appropriations - Used – Disbursed  570010 Expended Appropriations – Disbursed  570000 Expended Appropriations - Used – Accrued  310700 Unexpended Appropriations - Used – Accrued | 10,000  10,000  10,000  10,000 | 10,000  10,000  10,000  10,000 | B110  B235 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 13. To record administrative expenses related to order #1. (i.e., reimbursable) (See background section excerpt from section 20.10 in OMB CircularA-11. FBWT (e.g., 101000) derived from non-reimbursable budgetary resources may be used for liquidation purposes while awaiting reimbursement as long as this cash management practice does not violate any existing laws and where the TAFS’ FBWT remains in a positive position. Internal adjustments are not shown but could be necessary. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable |  |  |  | Budgetary Entry  461000 (R)Allotments – Realized Resources  490200 (R) Delivered Orders – Obligations, Paid  Proprietary Entry  610000 Operating Expenses/Program Costs  101000 Fund Balance with Treasury  310710 Unexpended Appropriations - Used – Disbursed  570010 Expended Appropriations - Disbursed | 4,000  4,000  4,000 | 4,000  4,000  4,000 | B107  B234 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 14. The performing agency provides services (i.e., includes charges for labor, general, and administrative expenses) to Federal agency from order #1. Consistent with the reimbursable agreement, both agencies agree to leave the order open for additional work that may be obligated in the current year. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  480100 Undelivered Orders – Obligations, Unpaid  490100 Delivered Orders – Obligations, Unpaid  Proprietary Entry  610000 Operating Expenses/Program Costs  211000 Accounts Payable  310700 Unexpended Appropriations – Used - Accrued  570000 Expended Appropriations – Used - Accrued | 14,000  14,000  14,000 | 14,000  14,000  14,000 | B402  B134 | Budgetary Entry  425100 (R) Reimbursements Earned - Receivable  422100 (R) Unfilled Customer Orders Without Advance  Proprietary Entry  131000 Accounts Receivable  520000 Revenue From Services Provided | 14,000  14,000 | 14,000  14,000 | A714 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 15. The performing agency receives payment from order #1. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  490100 Delivered Orders – Obligations, Unpaid  490200 Delivered Orders – Obligations, Paid  Proprietary Entry  211000 Accounts Payable  101000 Fund Balance With Treasury  310710 Unexpended Appropriations – Used - Disbursed  570000 Expended Appropriations – Used - Accrued  310700 Unexpended Appropriations – Used - Accrued  570010 Expended Appropriations - Disbursed | 14,000  14,000  14,000  14,000 | 14,000  14,000  14,000  14,000 | B110  B235 | Budgetary Entry  425200 (R) Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources  425100 (R) Reimbursements Earned– Receivable  Proprietary Entry  101000 Fund Balance With Treasury  131000 Accounts Receivable  570010 Expended Appropriations – Disbursed  310710 Unexpended Appropriations – Used - Disbursed | 14,000  14,000  14,000 | 14,000  14,000  14,000 | C186  B234R |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 16. The performing agency accepts order #2 from an ordering agency. The order is a $25,000 order for services from another federal agency’s annual TAFS without an advance. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  461000 Allotments – Realized Resources  480100 Undelivered Orders – Obligations, Unpaid | 25,000 | 25,000 | B306 | Budgetary Entry  422100 (R) Unfilled Customer Orders w/o Advance  421000 (R) Anticipated Reimbursement  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  451000 (R) Apportionments  Proprietary Entry  None. | 25,000  25,000 | 25,000  25,000 | A706  A123 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 17. To record the allotment of authority. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  Not Applicable |  |  |  | Budgetary Entry  451000 (R) Apportionments  461000 (R) Allotments – Realized Resources  Proprietary Entry  None. | 25,000 | 25,000 | A120 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 18. The performing agency incurs and pays for salaries and benefits expenses. (i.e. Reimbursable/but Direct temporarily used). (See background section excerpt from section 20.10 in OMB CircularA-11. FBWT (e.g., 101000) derived from non-reimbursable budgetary resources may be used for liquidation purposes while awaiting reimbursement as long as this cash management practice does not violate any existing laws and where the TAFS’ FBWT remains in a positive position. Internal adjustments are not shown but could be necessary. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (R) Allotments – Realized Resources  490200 (R) Delivered Orders – Obligations, Paid  Proprietary Entry  610000 Operating Expenses/Program Costs  640000 Benefit Expenses  101000 Fund Balance With Treasury  310710 Unexpended Appropriations - Used – Disbursed  570010 Expended Appropriations - Disbursed | 25,000  19,000  6,000  25,000 | 25,000  25,000  25,000 | B107  B234 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 19. The performing agency provides services to federal agency (amount includes charges for labor and general and administrative expenses) from order #2. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  480100 Undelivered Orders – Obligations, Unpaid  490100 Delivered Orders – Obligations, Unpaid  Proprietary Entry  610000 Operating Expenses/Program Costs  211000Accounts Payable  310700 Unexpended Appropriations – Used - Accrued  570000 Expended Appropriations – Used - Accrued | 25,000  25,000  25,000 | 25,000  25,000  25,000 | B402  B134 | Budgetary Entry  425100 (R) Reimbursements Earned - Receivable  422100 (R) Unfilled Customer Orders Without Advance  Proprietary Entry  131000 Accounts Receivable  520000 Revenue From Services Provided | 25,000  25,000 | 25,000  25,000 | A714 |

Economy Act (Without Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 20. The performing agency receives payment from order #2. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  490100 Delivered Orders – Obligations, Unpaid  490200 Delivered Orders – Obligations, Paid  Proprietary Entry  211000 Accounts Payable  101000 Fund Balance With Treasury  310710 Unexpended Appropriations – Used - Disbursed  570000 Expended Appropriations – Used - Accrued  310700 Unexpended Appropriations – Used - Accrued  570010 Expended Appropriations - Disbursed | 25,000  25,000  25,000  25,000 | 25,000  25,000  25,000  25,000 | B110  B235 | Budgetary Entry  425200 (R) Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources  425100 (R) Reimbursements Earned– Receivable  Proprietary Entry  101000 Fund Balance With Treasury  131000 Accounts Receivable  570010 Expended Appropriations – Disbursed  310710 Unexpended Appropriations – Used - Disbursed | 25,000  25,000  25,000 | 25,000  25,000  25,000 | C186  B234R |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 21 The performing agency records depreciation on equipment. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry  Proprietary Entry  671000 Depreciation, Amortization and Depletion  175900 Accumulated Depreciation on Equipment | 10,000 | 10,000 | E120 |

Economy Act (Without Advances)– Year 1

PRE-CLOSING ADJUSTING ENTRIES

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 22. The performing agency reviews outstanding orders at year-end. There is an expiring federal annual TAFS that has not been fully obligated by the performing agency. The performing agency must write orders down to obligations against that order in accordance with the Economy Act (see OMB Circular A-11, section 20.12 and section 130.9). The ordering fund must also write down the order to comply with the Economy Act.[[1]](#footnote-1) (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  480100 Undelivered Orders – Obligations, Unpaid  461000 Allotments – Realized Resources  Proprietary Entry  No entry. | 6,000 | 6,000 | F111 | Budgetary Entry  461000 (R) Allotments – Realized Resources  422100 (R) Unfilled Customer Orders Without Advance  Proprietary Entry  No entry. | 6,000 | 6,000 | F109 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 23. The performing agency adjusts anticipated orders not realized and apportionments unavailable to zero. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  421000 (R) Anticipated Reimbursement  Proprietary Entry  No entry. | 5,000 | 5,000 | F112 |

The following Trial Balance and Financial Statements are presented for the Performing Fund only.

Economy Act

Pre-Closing Trial Balance

Year 1 (Without Advances)

|  |  |  |  |
| --- | --- | --- | --- |
| Account | Account Description | Debit | Credit |
| Budgetary |  |  |  |
| 411900D | Other Appropriation Realized | 150,000 | - |
| 425200R | Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources | 39,000 | - |
| 461000D | Allotments – Realized Resources | - | 100,000 |
| 490200D | Delivered Orders – Obligations, Paid | - | 50,000 |
| 490200R | Delivered Orders – Obligations, Paid |  | 39,000 |
| Total |  | 189,000 | 189,000 |
|  |  |  |  |
| Proprietary |  |  |  |
| 101000 | Fund Balance With Treasury | 100,000 | - |
| 175000 | Equipment | 50,000 | - |
| 175900 | Accumulated Depreciation on Equipment | - | 10,000 |
| 310100 | Unexpended Appropriations – Appropriations Received | - | 150,000 |
| 310710 | Unexpended Appropriations – Used - Disbursed | 50,000 | - |
| 520000 | Revenue from Services Provided | - | 39,000 |
| 570010 | Expended Appropriations - Disbursed | - | 50,000 |
| 610000 | Operating Expenses/Program Costs | 33,000 | - |
| 640000 | Benefit Expense | 6,000 |  |
| 671000 | Depreciation, Amortization, and Depletion | 10,000 | - |
| Total |  | 249,000 | 249,000 |
|  |  |  |  |
| Memorandum |  |  |  |
| 880100 | Offset for Purchases of Assets | - | 50,000 |
| 880200 | Purchases of Property, Plant, and Equipment | 50,000 | - |
| Total |  | 50,000 | 50,000 |

Economy Act (Without Advances) Financial Statements - Year 1

The following Financial Statements are presented for the Performing Fund only.

|  |  |  |
| --- | --- | --- |
| BALANCE SHEET | | |
| Line No. |  |  |
|  | Assets (Note 2) |  |
|  | Intra-governmental |  |
| 1. | Fund Balance with Treasury (Note 3) (101000E) | 100,000 |
| 7. | Total Intra-governmental | 100,000 |
|  | Other than intra-governmental/With the public |  |
| 12 | General property, plant, and equipment, net (Note 10) (175000E, 175900E) | 40,000 |
| 18. | Total with the public (Calculated Lines 8 through 17) | 40,000 |
| 19. | Total assets (Calculated Lines 7 and 18) | 140,000 |
|  |  |  |
|  | Net position: |  |
| 41.2 | Unexpended appropriations – Funds From Other than Dedicated Collections (310100E, 310710E) | 100,000 |
| 42.2 | Cumulative results of operations – Funds from Other Than Dedicated Collections (520000E, 570010E, 610000E, 671000E, 880100E, 880200E) | 40,000 |
| 43. | Total net position (Calculated sum lines 41 and 42) | 140,000 |
| 44. | Total liabilities and net position (Calculated sum Lines 39 and 43) | 140,000 |

|  |  |  |
| --- | --- | --- |
| STATEMENT OF NET COST | | |
| Line No. |  |  |
|  | Gross Program Costs (Note 22): |  |
|  | Program A: |  |
| 1. | Gross costs (610000E, 640000E, 671000, 880100, 880200) | 49,000 |
| 2. | Less: earned revenue (520000) | (39,000) |
| 3. | Net program costs | 10,000 |
| 5. | Net program costs including Assumption Changes: | 10,000 |
| 8. | Net cost of operations | 10,000 |

Economy Act (Without Advances) Financial Statements - Year 1

|  |  |  |
| --- | --- | --- |
| STATEMENT OF CHANGES IN NET POSITION | | |
| Line No. |  |  |
|  | Unexpended Appropriations: |  |
| 4. | Appropriations Received (310100E) | 150,000 |
| 7. | Appropriations used (310710E) | (50,000) |
| 8. | Net Change in Unexpended Appropriations (Calculated Lines 4 through 7) | 100,000 |
| 9. | Total Unexpended Appropriations (Calculated Lines 3 and 8) | 100,000 |
|  |  |  |
|  | Cumulative Results of Operations: |  |
| 14. | Appropriations used (570010E) | 50,000 |
|  |  |  |
| 21 | Net Cost of Operations (+/-) | (10,000) |
| 22. | Net Change in Cumulative Results of Operations (Calculated Lines 13 through 20 less line 21) | 40,000 |
| 23. | Cumulative Results of Operations- Ending (Calculated sum lines 12 and 22) | 40,000 |
| 24 | Net Position (Calculated sum lines 9 and 23) | 140,000 |

The following Financial Statements are presented for the Performing Fund only.

Economy Act (Without Advances) Financial Statements - Year 1

|  |  |  |
| --- | --- | --- |
| STATEMENT OF BUDGETARY RESOURCES | | |
| Line No. |  |  |
|  | Budgetary resources: |  |
| 1290 | Appropriations (discretionary and mandatory) (411900E) | 150,000 |
| 1890 | Spending authority from offsetting collections (discretionary and mandatory) (425200E) | 39,000 |
| 1910 | Total budgetary resources | 189,000 |
|  |  |  |
|  | Status of Budgetary Resources: |  |
| 2190 | New obligations and upward adjustments (total) (490200E) | 89,000 |
|  |  |  |
|  | Unobligated balance, end of year: |  |
| 2204 | Apportioned, unexpired account (461000E) | 100,000 |
| 2412 | Unexpired unobligated balance, end of year | 100,000 |
| 2490 | Unobligated balance, end of year (total) | 100,000 |
| 2500 | Total budgetary resources | 189,000 |
|  |  |  |
|  | Outlays, Net and Disbursements, Net: |  |
| 4190 | Outlays, net (total) (discretionary and mandatory) (425200E, 490200E) | 50,000 |

Economy Act (Without Advances) Financial Statements - Year 1

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| SF 133 AND SCHEDULE P: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES AND BUDGET PROGRAM AND FINANCING SCHEDULE | | | | | | |
| Line No. | |  | | SF 133 | Schedule P | |
|  | | BUDGETARY RESOURCES | |  |  | |
|  | | All accounts: | |  |  | |
| 0900 | | Total new obligations, unexpired accounts (490200E) | | - | 89,000 | |
|  | | Budget authority: | |  |  | |
|  | | Appropriations: | |  |  | |
|  | | Discretionary: | |  |  | |
| 1100 | | Appropriation (411900E) | | 150,000 | 150,000 | |
| 1160 | | Appropriation, discretionary (total) | | 150,000 | 150,000 | |
| 1700 | | Collected (425200E) | | 39,000 | 39,000 | |
| 1750 | | Spending authority from offsetting collections, discretionary (total) | | 39,000 | 39,000 | |
| 1900 | | Budget authority (total) | | 189,000 | 189,000 | |
| 1910 | | Total budgetary resources | | 189,000 | - | |
| 1930 | | Total budgetary resources available | | - | 189,000 | |
|  | | Memorandum (non-add) entries: | |  |  | |
|  | | All accounts: | |  |  | |
| 1941 | | Unexpired unobligated balance, end of year (461000E) | | - | 100,000 | |
|  | |  | |  |  | |
|  | | STATUS OF BUDGETARY RESOURCES | |  |  | |
|  | | New obligations and upward adjustments: | |  |  | |
|  | | Direct: | |  |  | |
| 2002 | | Category B (by project) (490200E) | | 50,000 |  | |
| 2004 | | Direct obligations (total) | | 50,000 |  | |
|  | | Reimbursable: | |  |  | |
| 2102 | | Category B (by project) (, 490200E) | | 39,000 |  | |
| 2104 | | Reimbursable obligations (total) | | 39,000 |  | |
| 2170 | | New obligations, unexpired accounts (490200E) | | 89,000 | - | |
| 2190 | | New obligations and upward adjustments (total) | | 89,000 | - | |
|  | | Apportioned, unexpired accounts: | |  |  | |
| 2201 | | Available in the current period (461000E) | | 100,000 | - | |
| 2412 | | Unexpired unobligated balance: end of year | | 100,000 | - | |
| 2490 | | Unobligated balance, end of year (total) | | 100,000 | - | |
| 2500 | | Total budgetary resources | | 189,000 | - | |
| SF 133 AND SCHEDULE P: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES AND BUDGET PROGRAM AND FINANCING SCHEDULE | | | | | | |
| Line No. |  | | SF 133 | | | Schedule P |
|  | Memorandum (non-add) entries: | |  | | |  |
| 2501 | Subject to apportionment unobligated balance, end of year (461000) | | 100,000 | | |  |
|  |  | |  | | |  |
|  | CHANGE IN OBLIGATED BALANCE | |  | | |  |
|  | Unpaid obligations: | |  | | |  |
| 3010 | New obligations, unexpired accounts (490200E) | | 89,000 | | | 89,000 |
| 3020 | Outlays (gross) (-) (490200E) | | (89,000) | | | (89,000) |
|  | Memorandum (non-add) entries: | |  | | |  |
| 3200 | Obligated balance, end of year (+ or -) | | - | | | - |
|  |  | |  | | |  |
|  | BUDGET AUTHORITY AND OUTLAYS, NET | |  | | |  |
|  | Discretionary: | |  | | |  |
|  | Gross budget authority and outlays: | |  | | |  |
| 4000 | Budget authority, gross | | 189,000 | | | 189,000 |
|  |  | |  | | |  |
|  | Outlays, gross | |  | | |  |
| 4010 | Outlays from new discretionary authority (490200E) | | 89,000 | | | 89,000 |
| 4020 | Outlays, gross (total) | | 89,000 | | | 89,000 |
| 4030 | Federal sources (-) (425200E) | | (39,000) | | | (39,000) |
| 4040 | Offsets against gross budget authority and outlays (total) (-) | | (39,000) | | | (39,000) |
| 4070 | Budget authority net (discretionary) | | 150,000 | | | 150,000 |
| 4080 | Outlays, net (discretionary) | | 50,000 | | | 50,000 |
|  |  | |  | | |  |
|  | Budget authority and outlays, net (total) | |  | | |  |
| 4180 | Budget authority, net (total) | | 150,000 | | | 150,000 |
| 4190 | Outlays, net (total) | | 50,000 | | | 50,000 |
|  |  | |  | | |  |
|  | Unexpended balances: | |  | | |  |
| 5321 | Direct unobligated balance, end of year (461000E) | | 100,000 | | | 100,000 |
| 5323 | Discretionary unobligated balance, end of year (461000E) | | 100,000 | | | 100,000 |

Economy Act (Without Advances) Reclassified Financial Statements – Year 1:

Note: Effective FY 2021, the Reclassified Balance Sheet is the same as the Balance Sheet. Therefore, the Reclassified Balance Sheet is not presented in this scenario.

|  |  |  |
| --- | --- | --- |
| RECLASSIFIED STATEMENT OF NET COST | | |
| Line No. |  |  |
|  | Gross Program Costs (Note 22): |  |
|  | Program A: |  |
| 2. | Non-federal gross cost (610000E, 640000E, 671000E) | 49,000 |
| 6. | Total non-federal gross cost | 49,000 |
| 7. | Federal gross cost |  |
| 8. | Total federal gross cost |  |
| 9. | Department total gross cut | 49,000 |
| 12. | Federal earned revenue |  |
| 12.2 | Buy/sell revenue (exchange) (RC 24) (520000E) | 39,000 |
| 13. | Total federal earned revenue | 39,000 |
| 14. | Department total earned revenue | 39,000 |
| 15. | Net cost of operation | 10,000 |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| RECLASSIFIED STATEMENT OF CHANGES IN NET POSITION | | |
| Line No. |  |  |
|  |  |  |
| 7. | Budgetary financing sources: |  |
| 7.1 | Appropriations received in adjusted (rescissions and other adjustments) (RC 41) (310100) | 150,000 |
| 7.2 | Appropriations used (RC 39) (310710) | 50,000 |
| 7.3 | Appropriations expended (RC 38) (570010) | 50,000 |
| 7.30 | Total financing sources | 150,000 |
| 8 | Net cost of operations (+/-) | 10,000 |
| 9 | Net position, end of period | 140,000 |

Economy Act (Without Advances) Closing Entries– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 24. To record the consolidation of actual net-funded resources and reductions for withdrawn funds. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  420100 (D) Total Actual Resources – Collected  420100 (R) Total Actual Resources - Collected  411900 (D) Other Appropriations Realized  425200 (R) Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources  Proprietary Entry  No entry. | 150,000  39,000 | 150,000  39,000 | F302 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 25. To record the closing of unobligated authority for expiring authority. (i.e., direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (D) Allotments – Realized Resources  465000 (D) Allotments - Expired Authority  Proprietary Entry  No entry. | 100,000 | 100,000 | F312 |

Economy Act (Without Advances) Closing Entries– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 26. To record the closing of paid delivered orders to total actual resources. (i.e., direct and reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  490200 (D) Delivered Orders – Obligations, Paid  490200 (R) Delivered Orders – Obligations, Paid  420100 (D) Total Actual Resources – Collected  420100 (R) Total Actual Resources - Collected  Proprietary Entry  No entry. | 50,000  39,000 | 50,000  39,000 | F314 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 27. To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry  Proprietary Entry  520000 Revenue from Services Provided  570010 Expended Appropriations – Disbursed  331000 Cumulative Results of Operations  610000 Operating Expenses/Program  Costs  640000 Benefit Expense  671000 Depreciation, Amortization, & depletion  331000 Cumulative Results of Operations | 39,000  50,000  49,000 | 89,000  33,000  6,000  10,000 | F336 |

Economy Act (Without Advances) Closing Entries– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 28. To record the closing of fiscal year activity to unexpended appropriations. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry.  Proprietary Entry  310100 Unexpended Appropriations – Appropriations Received  310000 Unexpended Appropriations  310000 Unexpended Appropriations  310710 Unexpended Appropriations – Used - Disbursed | 150,000  50,000 | 150,000  50,000 | F342 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 29. To record the closing of memorandum accounts for purchases. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry.  Proprietary Entry  No Entry  Memorandum Entry  880100 Offset for Purchases of Capitalized Assets  880200 Purchases of Capitalized Assets | 50,000 | 50,000 | F370 |

Economy Act

Post-Closing Trial Balance

|  |  |  |  |
| --- | --- | --- | --- |
| Account | Account Description | Debit | Credit |
| Budgetary |  |  |  |
| 420100D | Total Actual Resources - Collected | 100,000 | - |
| 465000D | Allotments – Expired Authority | - | 100,000 |
| Total |  | 100,000 | 100,000 |
|  |  |  |  |
| Proprietary |  |  |  |
| 101000 | Fund Balance With Treasury | 100,000 | - |
| 175000 | Equipment | 50,000 | - |
| 175900 | Accumulated Depreciation on Equipment | - | 10,000 |
| 310000 | Unexpended Appropriations - Cumulative | - | 100,000 |
| 331000 | Cumulative Results of Operations | - | 40,000 |
| Total |  | 150,000 | 150,000 |

Economy Act (With Advances) – Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. The agency’s annual Appropriations Act provides $150,000 in appropriated funds to the performing agency. A warrant for $150,000 is issued to the performing fund. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  411900 (D) Other Appropriations Realized  445000 (D) Unapportioned – Unexpired Authority  Proprietary Entry  101000 Fund Balance With Treasury  310100 Unexpended Appropriations - Appropriations Received | 150,000  150,000 | 150,000  150,000 | A104 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 2. The performing agency anticipates $250,000 from spending authority from offsetting collections (reimbursable.) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  421000 (R) Anticipated Reimbursements  449000 (R) Anticipated Resources – Unapportioned Authority  Proprietary Entry  None. | 250,000 | 250,000 | A702 |

Economy Act (With Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 3. An agency submits an apportionment/reapportionment to the Office of Management and Budget (OMB) requesting apportionment. OMB subsequently approves. ($150,000 (i.e. Direct) general fund appropriation + $250,000 (i.e. Reimbursable) anticipated from spending authority from offsetting collections.) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  Not Applicable |  |  |  | Budgetary Entry  445000 (D) Unapportioned – Unexpired Authority  451000 (D) Apportionments    449000 (R) Anticipated Resources – Unapportioned Authority  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  Proprietary Entry  None. | 150,000  250,000 | 150,000  250,000 | A116  A118 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 4 The agency head allots the available apportionment and approves automatic allotment of resources realized (i.e. Direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  451000 (D) Apportionments  461000 (D) Allotments – Realized Resources  Proprietary Entry  None. | 150,000 | 150,000 | A120 |

Economy Act (With Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 5. The performing agency accepts a $240,000 order for services from a federal entity - advance received. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  461000 Allotments – Realized Resources  480200 Undelivered Orders – Obligations, Prepaid/Advanced  Proprietary Entry  141000 Advances and Prepayments  101000 Fund Balance With Treasury | 240,000  240,000 | 240,000  240,000 | B308 | Budgetary Entry  422200 (R) Unfilled Customer Orders With Advance  421000 (R) Anticipated Reimbursement  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  451000 (R) Apportionments  Proprietary Entry  101000 Fund Balance With Treasury  231000 Liability for Advances and Prepayments | 240,000  240,000  240,000 | 240,000  240,000  240,000 | C182  A123 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 6. To record allotment of authority. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  451000 (R) Apportionments  461000 (R) Undelivered Allotments – Realized Resources  Proprietary Entry  None. | 240,000 | 240,000 | A120 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 7. The performing agency orders equipment. The funding came from direct activity. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (D) Allotments – Realized Resources  480100 (D) Undelivered Orders – Obligations, Unpaid  Proprietary Entry  None. | 50,000 | 50,000 | B306 |

Economy Act (With Advances)– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 8. The performing agency receives equipment from transaction 7. Equipment has a 5-year useful life and no salvage value. Please note this order will be paid for from direct activity. Cost capitalization is applied to ensure accurate reimbursable expense/revenue reporting. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  480100 (D) Undelivered Orders – Obligations, Unpaid  490100 (D) Delivered Orders – Obligations, Unpaid  Proprietary Entry  610000 Operating Expenses/Program Costs  211000 Accounts Payable  175000 Equipment  661000 Cost Capitalization Offset  310700 Unexpended Appropriations – Used - Accrued  570000 Expended Appropriations – Used - Accrued  Memorandum Entry  880200 Purchases of Property, Plant, and Equipment  880100 Offset for Purchases of Assets | 50,000  50,000  50,000  50,000  50,000 | 50,000  50,000  50,000  50,000  50,000 | B402  D514  B134  G120 |

Economy Act (With Advances) – Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 9. The performing agency confirms disbursement for equipment ordered and received in transactions 7 and 8. (i.e. Direct) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  490100 (D) Delivered Orders – Obligations, Unpaid  490200 (D) Delivered Orders – Obligations, Paid  Proprietary Entry  211000 Accounts Payable  101000 Fund Balance with Treasury  310710 Unexpended Appropriations – Used - Disbursed  570000 Expended Appropriations – Used - Accrued  310700 Unexpended Appropriations – Used - Accrued  570010 Expended Appropriations - Disbursed | 50,000  50,000  50,000  50,000 | 50,000  50,000  50,000  50,000 | B110  B235 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 10. The performing agency incurs and pays for general operating expenses. (i.e., reimbursable) | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (R) Allotments – Realized Resources  490200 (R) Delivered Orders – Obligations, Paid  Proprietary Entry  610000 Operating Expenses/Program Costs  101000 Fund Balance With Treasury | 190,000  190,000 | 190,000  190,000 | B107 |

Economy Act (With Advances) – Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 11. The performing agency incurs and pays for $40,000 in general operating expenses from reimbursable funds. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (R) Allotments – Realized Resources  490200 (R) Delivered Orders – Obligations, Paid  Proprietary Entry  610000 Operating Expenses/Program Costs  101000 Fund Balance With Treasury | 40,000  40,000 | 40,000  40,000 | B107 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 12. The performing fund records earned revenue related to the advance received in transaction #5. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  480200 Undelivered Orders – Obligations, Prepaid/Advanced  490200 Delivered Orders – Obligations, Paid  Proprietary Entry  610000 Operating Expenses/Program Costs  141000 Advances to Others  310710 Unexpended Appropriations - Used – Disbursed  570010 Expended Appropriations - Disbursed | 230,000  230,000  230,000 | 230,000  230,000  230,000 | B604  B234 | Budgetary Entry  425200 (R) Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources  422200 (R) Unfilled Customer Orders With Advance  Proprietary Entry  231000 Liability for Advances and Prepayments  520000 Revenue From Services Provided | 230,000  230,000 | 230,000  230,000 | A711 |

Economy Act (With Advances) – Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 13. The performing agency records depreciation on equipment. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry  Proprietary Entry  671000 Depreciation, Amortization and Depletion  175900 Accumulated Depreciation on Equipment | 10,000 | 10,000 | E120 |

PRE-CLOSING ADJUSTING ENTRIES

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 14. The performing agency adjusts anticipated orders not realized and apportionments unavailable to zero. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  459000 (R) Apportionments – Anticipated Resources – Programs Subject to Apportionment  421000 (R) Anticipated Reimbursements  Proprietary Entry  No entry. | 10,000 | 10,000 | F112 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 15. To record the removal of unfilled customer orders with advance and to return advance in excess of obligations. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Budgetary Entry  480200 Undelivered Orders – Obligations, Prepaid/Advanced  461000 Allotments – Realized Resources  Proprietary Entry  101000 Fund Balance with Treasury  141000 Advances and Prepayments | 10,000  10,000 | 10,000  10,000 | C112 | Budgetary Entry  461000 (R) Allotments – Realized Resources  422200 (R) Unfilled Customer Orders With Advance  Proprietary Entry  231000 Liability for Advances and Prepayments  101000 Fund Balance With Treasury | 10,000  10,000 | 10,000  10,000 | F110 |

Please note: The following Trial Balance and Financial Statements are presented for the Performing Fund only.

Economy Act

Pre-Closing Trial Balance

Year 1 (With Advances)

|  |  |  |  |
| --- | --- | --- | --- |
| Account | Account Description | Debit | Credit |
| Budgetary |  |  |  |
| 411900D | Other Appropriation Realized | 150,000 | - |
| 425200R | Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources | 230,000 | - |
| 461000D | Allotments – Realized Resources | - | 100,000 |
|  |  |  |  |
| 490200R | Delivered Orders – Obligations, Paid | - | 230,000 |
| 490200D | Delivered Orders – Obligations, Paid |  | 50,000 |
| Total |  | 380,000 | 380,000 |
|  |  |  |  |
| Proprietary |  |  |  |
| 101000 | Fund Balance With Treasury | 100,000 |  |
| 175000 | Equipment | 50,000 | - |
| 175900 | Accumulated Depreciation on Equipment | - | 10,000 |
| 310100 | Unexpended Appropriations – Appropriations Received |  | 150,000 |
| 310710 | Unexpended Appropriations – Used - Disbursed | 50,000 |  |
| 520000 | Revenue from Services Provided | - | 230,000 |
| 570010 | 570010 Expended Appropriations - Disbursed |  | 50,000 |
| 610000 | Operating Expenses/Program Costs | 280,000 | - |
| 661000 | Cost Capitalization Offset |  | 50,000 |
| 671000 | Depreciation, Amortization, and Depletion | 10,000 | - |
| Total |  | 490,000 | 490,000 |
|  |  |  |  |
| Memorandum |  |  |  |
| 880100 | Offset for Purchases of Assets | - | 50,000 |
| 880200 | Purchase of Property, Plant, and Equipment | 50,000 | - |
| Total |  | 50,000 | 50,000 |

The following Financial Statements are presented for the Performing Fund only.

Economy Act (With Advances) Financial Statements - Year 1

|  |  |  |
| --- | --- | --- |
| BALANCE SHEET | | |
| Line No. |  |  |
|  | Assets (Note 2) |  |
|  | Intra-governmental |  |
| 1. | Fund Balance with Treasury (Note 3) (101000E) | 100,000 |
| 7. | Total Intra-governmental | 100,000 |
|  | Other than intra-governmental/With the public |  |
| 12 | General property, plant, and equipment, net (Note 10) (175000E, 175900E) | 40,000 |
| 18. | Total with the public (Calculated Lines 8 through 17) | 40,000 |
| 19. | Total assets (Calculated Lines 7 and 18) | 140,000 |
|  |  |  |
|  |  |  |
|  |  |  |
|  | Net position: |  |
| 41.2 | Unexpended appropriations – Funds From Other than Dedicated Collections (310100E and 310710) | 100,000 |
| 42.2 | Cumulative results of operations – Funds from Other Than Dedicated Collections (520000E, 570010E, 610000E, 661000E 671000E, 880100E, 880200E) | 40,000 |
| 43. | Total net position (Calculated sum lines 41 and 42) | 140,000 |
| 44. | Total liabilities and net position (Calculated sum Lines 39 and 43) | 140,000 |

|  |  |  |
| --- | --- | --- |
| STATEMENT OF NET COST | | |
| Line No. |  |  |
|  | Gross Program Costs (Note 22): |  |
|  | Program A: |  |
| 1. | Gross costs (610000E, 661000E, 671000E, 880100, 880200) | 240,000 |
| 2. | Less: earned revenue (520000) | (230,000) |
| 3. | Net program costs | 10,000 |
| 8. | Net cost of operations | 10,000 |

Economy Act (With Advances) Financial Statements - Year 1

|  |  |  |
| --- | --- | --- |
| STATEMENT OF CHANGES IN NET POSITION | | |
| Line No. |  |  |
|  | Unexpended Appropriations: |  |
| 4. | Appropriations Received (310100E) | 150,000 |
| 7. | Appropriations Used (310710E) | (50,000) |
| 8. | Net Change in Unexpended Appropriations (Calculated Lines 4 through 7) | 100,000 |
| 9. | Total Unexpended Appropriations (Calculated Lines 3 and 8) | 100,000 |
|  |  |  |
| 14 | Appropriations Used (570010) | 50,000 |
|  |  |  |
|  | Cumulative Results of Operations: |  |
| 21 | Net Cost of Operations (+/-) | 10,000 |
| 22. | Net Change in Cumulative Results of Operations (Calculated Lines 13 through 20 less line 21) | 40,000 |
| 23. | Cumulative Results of Operations- Ending (Calculated sum lines 12 and 22) | 40,000 |
| 24 | Net Position (Calculated sum lines 9 and 23) | 140,000 |

Please note: The Financial Statements are presented for the Performing Fund only.

Economy Act (With Advances) Financial Statements - Year 1

|  |  |  |
| --- | --- | --- |
| STATEMENT OF BUDGETARY RESOURCES | | |
| Line No. |  |  |
|  | Budgetary resources: |  |
| 1290 | Appropriations (discretionary and mandatory) (411900E) | 150,000 |
| 1890 | Spending authority from offsetting collections (discretionary and mandatory) (425200E) | 230,000 |
| 1910 | Total budgetary resources | 380,000 |
|  |  |  |
|  | Status of Budgetary Resources: |  |
| 2190 | New obligations and upward adjustments (total) (490200E) | 280,000 |
|  |  |  |
|  | Unobligated balance, end of year: |  |
| 2204 | Apportioned, unexpired account (461000E) | 100,000 |
| 2412 | Unexpired unobligated balance, end of year | 100,000 |
| 2490 | Unobligated balance, end of year (total) | 100,000 |
| 2500 | Total budgetary resources | 380,000 |
|  |  |  |
|  | Outlays, Net and Disbursements, Net: |  |
| 4190 | Outlays, net (total) (discretionary and mandatory) (425200E, 490200E) | 50,000 |

The following Financial Statements are presented for the Performing Fund only.

Economy Act (With Advances) Financial Statements - Year 1

|  |  |  |  |
| --- | --- | --- | --- |
| SF 133 AND SCHEDULE P: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES AND BUDGET PROGRAM AND FINANCING SCHEDULE | | | |
| Line No. |  | SF 133 | Schedule P |
|  | BUDGETARY RESOURCES |  |  |
|  | All accounts: |  |  |
| 0900 | Total new obligations, unexpired accounts (490200E) | - | 230,000 |
|  | Budget authority: |  |  |
|  | Appropriations: |  |  |
|  | Discretionary: |  |  |
| 1100 | Appropriation (411900E) | 150,000 | 150,000 |
| 1160 | Appropriation, discretionary (total) | 150,000 | 150,000 |
| 1700 | Collected (425200E) | 230,000 | 230,000 |
| 1750 | Spending authority from offsetting collections, discretionary (total) | 230,000 | 230,000 |
| 1900 | Budget authority (total) | 380,000 | 380,000 |
| 1910 | Total budgetary resources | 380,000 | - |
| 1930 | Total budgetary resources available | - | 380,000 |
|  | Memorandum (non-add) entries: |  |  |
|  | All accounts: |  |  |
| 1941 | Unexpired unobligated balance, end of year (461000E) | - | 100,000 |
|  |  |  |  |
|  | STATUS OF BUDGETARY RESOURCES |  |  |
|  | New obligations and upward adjustments: |  |  |
|  | Direct: |  |  |
| 2002 | Category B (by project) (490200E) | 50,000 |  |
| 2004 | Direct obligations (total) | 50,000 |  |
|  | Reimbursable: |  |  |
| 2102 | Category B (by project) (490200E) | 230,000 |  |
| 2104 | Reimbursable obligations (total) | 230,000 |  |
| 2170 | New obligations, unexpired accounts (490200E) | 280,000 | - |
| 2190 | New obligations and upward adjustments (total) | 280,000 | - |
|  |  |  |  |
|  | Apportioned, unexpired accounts: |  |  |
| 2201 | Available in the current period (461000E) | 100,000 | - |
| 2412 | Unexpired unobligated balance: end of year | 100,000 | - |
| 2490 | Unobligated balance, end of year (total) | 100,000 | - |
| 2500 | Total budgetary resources | 380,000 | - |

|  |  |  |  |
| --- | --- | --- | --- |
| SF 133 AND SCHEDULE P: REPORT ON BUDGET EXECUTION AND BUDGETARY RESOURCES AND BUDGET PROGRAM AND FINANCING SCHEDULE | | | |
| Line No. |  | SF 133 | Schedule P |
|  | Memorandum (non-add) entries: |  |  |
| 2501 | Subject to apportionment unobligated balance, end of year (461000E) | 100,000 |  |
|  |  |  |  |
|  | CHANGE IN OBLIGATED BALANCE |  |  |
|  | Unpaid obligations: |  |  |
| 3010 | New obligations, unexpired accounts (490200E) | 280,000 | 280,000 |
| 3020 | Outlays (gross) (-) (490200E) | (280,000) | (280,000) |
|  | Memorandum (non-add) entries: |  |  |
| 3200 | Obligated balance, end of year (+ or -) | - | - |
|  |  |  |  |
|  | BUDGET AUTHORITY AND OUTLAYS, NET |  |  |
|  | Discretionary: |  |  |
|  | Gross budget authority and outlays: |  |  |
| 4000 | Budget authority, gross | 380,000 | 380,000 |
|  |  |  |  |
|  | Outlays, gross |  |  |
| 4010 | Outlays from new discretionary authority (490200E) | 280,000 | 280,000 |
| 4020 | Outlays, gross (total) | 280,000 | 280,000 |
| 4030 | Federal sources (-) (425200E) | (230,000) | (230,000) |
| 4040 | Offsets against gross budget authority and outlays (total) (-) | (230,000) | (230,000) |
| 4070 | Budget authority net (discretionary) | 150,000 | 150,000 |
| 4080 | Outlays, net (discretionary) | 50,000 | 50,000 |
|  |  |  |  |
|  | Budget authority and outlays, net (total) |  |  |
| 4180 | Budget authority, net (total) | 100,000 | 100,000 |
| 4190 | Outlays, net (total) | 50,000 | 50,000 |
|  |  |  |  |
|  | Unexpended balances: |  |  |
| 5321 | Direct unobligated balance, end of year (461000E) | 100,000 | 100,000 |
| 5323 | Discretionary unobligated balance, end of year (461000E) | 100,000 | 100,000 |

Economy Act (With Advances) Reclassified Financial Statements – Year 1:

Note: Effective FY 2021, the Reclassified Balance Sheet is the same as the Balance Sheet. Therefore, the Reclassified Balance Sheet is not presented in this scenario.

|  |  |  |
| --- | --- | --- |
| RECLASSIFIED STATEMENT OF NET COST | | |
| Line No. |  |  |
|  | Gross Program Costs (Note 22): |  |
|  | Program A: |  |
| 2. | Non-federal gross cost (610000E, 661000E, 671000E) | 240,000 |
| 6. | Total non-federal gross cost | 240,000 |
| 7. | Federal gross cost |  |
| 7.4 | Purchase of assets (RC 24) Footnote 2 (880200) | 50,000 |
| 8. | Total federal gross cost | 50,000 |
| 9. | Department total gross cost | 290,000 |
| 12. | Federal earned revenue |  |
| 12.2 | Buy/sell revenue (exchange) (RC 24) (520000E) | 230,000 |
| 12.3 | Offset for Purchase of Assets (880100E) | 50,000 |
| 13. | Total federal earned revenue | 280,000 |
| 14. | Department total earned revenue | 280,000 |
| 15. | Net cost of operation | 10,000 |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| RECLASSIFIED STATEMENT OF CHANGES IN NET POSITION | | |
| Line No. |  |  |
|  |  |  |
| 7. | Budgetary financing sources: |  |
| 7.1 | Appropriations received in adjusted (rescissions and other adjustments) (RC 41) (310100E) | 150,000 |
| 7.2 | Appropriations Used (RC39) (310710) | 50,000 |
| 7.3 | Appropriations Expended (RC 38) (Footnote 1) (570010) | 50,000 |
| 7.30 | Total financing sources | 150,000 |
| 8 | Net cost of operations (+/-) | 10,000 |
| 9 | Net position, end of period | 140,000 |

Economy Act (With Advances) Closing Entries– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 16. To record the consolidation of actual net-funded resources and reductions for withdrawn funds. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  420100 (D) Total Actual Resources – Collected  411900 (D) Other Appropriations Realized  420100 (R Total Actual Resources – Collected  425200 (R) Reimbursements Earned - Collected From Federal/Non-Federal Exception Sources  Proprietary Entry  No entry. | 150,000  230,000 | 150,000  230,000 | F302 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 17. To record the closing of unobligated authority for expiring authority. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  461000 (D) Allotments – Realized Resources  465000 (D) Allotments - Expired Authority    Proprietary Entry  No entry. | 100,000 | 100,000 | F312 |

Economy Act (With Advances) Closing Entries– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 18. To record the closing of paid delivered orders to total actual resources. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  490200 (R) Delivered Orders – Obligations, Paid  420100 (R) Total Actual Resources – Collected  490200 (D) Delivered Orders – Obligations, Paid  420100 (D) Total Actual Resources – Collected  Proprietary Entry  No entry. | 230,000  50,000 | 230,000  50,000 | F314 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 19. To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry  Proprietary Entry  331000 Cumulative Results of Operations  520000 Revenue from Services Provided  570010 Expended Appropriations - Disbursed  331000 Cumulative Results of Operations  610000 Operating Expenses/Program Costs  661000 Cost Capitalization Offset  671000 Depreciation, Amortization, & depletion | 240,000  230,000  50,000  50,000 | 280,000  280,000  10,000 | F336 |

Economy Act (With Advances) Closing Entries– Year 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 20. To record the closing of fiscal year activity to unexpended appropriations. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry.  Proprietary Entry  310100 Unexpended Appropriations – Appropriations Received  310000 Unexpended Appropriations  310000 Unexpended Appropriations  310710 Unexpended Appropriations – Used - Disbursed | 150,000  50,000 | 150,000  50,000 | F342 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 21. To record the closing of memorandum accounts for purchases. | | | | | | | |
| ORDERING FUND | Debit | Credit | TC | PERFORMING FUND | Debit | Credit | TC |
| Not Applicable. |  |  |  | Budgetary Entry  No entry.  Proprietary Entry  No Entry  Memorandum Entry  880100 Offset for Purchases of Capitalized Assets  880200 Purchases of Capitalized Assets | 50,000 | 50,000 | F370 |

Economy Act

Post-Closing Trial Balance

|  |  |  |  |
| --- | --- | --- | --- |
| Account | Account Description | Debit | Credit |
| Budgetary |  |  |  |
| 420100D | Total Actual Resources - Collected | 100,000 | - |
|  |  |  | - |
|  |  | - |  |
| 465000D | Allotments – Expired Authority | - | 100,000 |
| Total |  | 100,000 | 100,000 |
|  |  |  |  |
| Proprietary |  |  |  |
| 101000 | Fund Balance With Treasury | 100,000 |  |
| 175000 | Equipment | 50,000 | - |
| 175900 | Accumulated Depreciation on Equipment | - | 10,000 |
| 310000 | Unexpended Appropriations - Cumulative | - | 100,000 |
| 331000 | Cumulative Results of Operations |  | 40,000 |
| Total |  | 150,000 | 150,000 |

1. Although transactionally there can be abnormal transactional balances, there cannot be ending abnormal balances. [↑](#footnote-ref-1)