

# USSGL Guide to Cancellations, Partial Adjustments, and Specific Permanent Reductions (Cheat Sheet)

## Overview

### Agency Question

- ✚ My agency has a Treasury Appropriation Fund Symbol (TAFS) involving a cancellation. What is the proper USSGL budgetary accounting treatment?

### USSGL Response

- ✚ It is dependent upon many factors, including the following:
  - To what type of TAFS does this apply?
  - What event is causing this situation?
  - What is the period of availability of the TAFS?
  - Is this TAFS flagged by Treasury as definite or indefinite?
  - Where is the canceled fund balance to be returned?
  - By what Treasury mechanism is the processing of the cancellation to be accomplished?
- ✚ The answers to those questions, along with specific Treasury and OMB reporting guidance, will determine, in most cases, the proper budgetary USSGL account that is applicable.<sup>1</sup> However, note that the SF 133: Report on Budget Execution and Budgetary Resources and Schedule P: Budget Program and Financing Schedule (P&F) lines included in this cheat sheet do not apply for backdated Treasury documents.

### References

- ✚ USSGL TFM Supplement S2 14-01, Part 1, Fiscal Year 2014 Reporting (as updated)
- ✚ TFM Volume 1, Yearend Closing Bulletin (as updated)
- ✚ TFM Volume 1, Part 2, Chapter 2000: Warrant and Nonexpenditure Transfer (NET) Transactions (T/L 621)
- ✚ OMB Circular No. A-11, Section 20 (as updated)

### Acronyms

- ✚ ATM Authority Transaction Module
- ✚ FY Fiscal Year (fiscal year appropriations include annual-year and multi-year appropriations)
- ✚ GFRA General Fund Receipt Account
- ✚ P&F Schedule P: Budget Program and Financing Schedule
- ✚ POA Period of Availability
- ✚ SF 133 SF 133: Report on Budget Execution and Budgetary Resources
- ✚ TAFS Treasury Appropriation Fund Symbol
- ✚ TC Transaction Code
- ✚ TCS Treasury Combined Statement
- ✚ TFM Treasury Financial Manual
- ✚ USSGL United States Standard General Ledger

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<sup>1</sup> The USSGL accounts documented in this guide reference USSGL TFM S2 14-01 (Part 1, Fiscal Year 2014 Reporting)

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**Note: Situations # 1 - 4 typically apply to cancellations of unobligated balances of general fund TAFS, where the fund balance is returned to the General Fund of the Treasury. These transactions are initiated by an agency rather than required by a Congressional action (i.e., enacted rescission or cancellation).**

	Situation	POA	TAFS Status	USSGL Account <sup>2</sup>	Def/ Indef	Treasury Mechanism	STAR TC	FMS 2108 Colum	TCS Column	SF 133 Line(s)	P&F Line(s)	Notes
1	End of 5 <sup>th</sup> expired year cancellation	FY	Expired	435000	Definite	FACTS II: via 2108 GTAS: via ATM	TC 31 <sup>3</sup>	FACTS II: Col. 4 GTAS: N/A	Col. 5	1029	N/A	- The P&F is not applicable because the TAFS has expired
2	End of 5 <sup>th</sup> expired year cancellation	FY	Expired	435000	Indefinite	FACTS II: via 2108 GTAS: via ATM	TC 31	FACTS II: Col. 4 GTAS: N/A	Col. 5	1029	N/A	- At the end of the 5 <sup>th</sup> expired year, use USSGL account 435000 to cancel. (Treasury will remove the "I" flag during the 5 <sup>th</sup> expired year) - The P&F is not applicable because the TAFS has expired
3	Partial Cancellation <sup>4</sup>	No-year, FY	Unexpired/ Expired (with extended disbursement authority)	435100	Definite	Surplus warrant, unavailable for restoration	TC 31	N/A	Col. 5	1029	1029 ( <u>unexpired only</u> )	- For 4 <sup>th</sup> quarter GTAS reporting, submit a Treasury warrant request to the Bureau of Fiscal Service (Budget Appropriations and Analysis Team (BAAT)). - Requires USSGL accounts 810100/810200
4	Early Cancellation of the Entire Appropriation <sup>5</sup>	No-year, FY	Unexpired/ Expired	435100	Definite	Surplus warrant unavailable for restoration	TC 31	N/A	Col. 5	1029	1029 ( <u>unexpired only</u> )	- For 4 <sup>th</sup> quarter GTAS reporting, submit a Treasury warrant request to the Bureau of Fiscal Service (BAAT). - Requires USSGL accounts 810100/810200

<sup>2</sup> FACTS II accepts a 4 digit USSGL account. Do not use the last two zeros when submitting USSGL accounts for FACTS II reporting.

<sup>3</sup> TC 31 represents surplus warrants/cancellations unavailable for restoration.

<sup>4</sup> Partial cancellations are uncommon. The agency would need legislation, a request for cancellation, and must receive Treasury and OMB concurrence before requesting a surplus warrant. Once processed, the funds are unavailable for restoration.

<sup>5</sup> Early cancellations of entire appropriations are rare and do not apply to (1) TAFSs with extended disbursement authority and (2) fiscal year TAFS pursuant to 31 USC 1552. To process an early cancellation for no-year TAFSs of an entire appropriation, two requirements must be met: (1) the head of the agency concerned or the President determines that the purposes for which the appropriation was made have been carried out; and (2) no disbursement has been made against the appropriation for 2 consecutive fiscal years. Once processed, the funds are unavailable for restoration, and the account must be closed.

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**Note:** Situations # 5 - 8 apply to most cancellations of unobligated balances of special and non-revolving trust funds, where the fund balance is either returned to the originating unavailable receipt account or to the originating invested TAFS. These transactions are initiated by an agency rather than required by a Congressional action (i.e., enacted rescission or cancellation).

	Situation	POA	TAFS Status	USSGL Account <sup>2</sup>	Def/ Indef	Treasury Mechanism	STAR TC	FMS 2108 Column	TCS Column	SF 133 Line(s)	P&F Line(s)	Notes
5	Special and non-revolving Trust Funds associated with "Unavailable" receipt accounts	No-year, FY	Unexpired/Expired	435500	N/A	Surplus warrant available for restoration GTAS: via ATM	TC 30 <sup>6</sup>	N/A	Col. 5	1029	1029 unexpired, 1950 unexpired, 1954 expired	- The TFM Vol. I, Yearend Closing Bulletin requires that the agency request a surplus warrant. For GTAS reporters this can be accomplished via ATM. - For 4 <sup>th</sup> quarter FACTS II reporting, submit a Treasury warrant request to the Bureau of Fiscal Service (BAAT).
6A <sup>7</sup>	Special and non-revolving Trust Funds associated with "Available" receipt accounts	No-year	Unexpired	435100	N/A	FACTS II: Surplus warrant unavailable for restoration GTAS: via ATM	TC 31	N/A	Col. 5	1029	1029 unexpired, 1950 unexpired, 1954 expired	- Very rare - For GTAS reporters, this request must be initiated via a transaction in ATM. - For 4th quarter FACTS II reporting, submit a Treasury warrant request to the Bureau of Fiscal Service (BAAT).
6B	Special and non-revolving Trust Funds associated with "Available" receipt accounts	FY	Unexpired/Expired	435100	N/A	FACTS II: Surplus warrant unavailable for restoration GTAS : via ATM	TC 31	N/A	Col. 5	1029	1029 unexpired, 1950 unexpired, 1954 expired	- Very rare - For GTAS reporters, this request must be initiated via a transaction in ATM. - For 4th quarter FACTS II reporting, submit a Treasury warrant request to the Bureau of Fiscal Service (BAAT).

<sup>6</sup> TC 30 represents surplus warrants/cancellations returned to receipts and available for future restoration.

<sup>7</sup> Note: Situation 6A, includes a temporary process in effect for Fiscal 2014 only, since the current FMS 2108 cancellation process does not allow for this situation. Beginning Fiscal 2015, agencies with this situation will be required to process these cancellations at year-end, via the new Yearend Transactions Module within the ATM application. The new ATM process will, in effect, be replacing the FMS 2108 yearend cancellation process, which is currently being accomplished via FACTS II reporting.

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	<b>Situation</b>	<b>POA</b>	<b>TAFS Status</b>	<b>USSGL Account<sup>2</sup></b>	<b>Def/ Indef</b>	<b>Treasury Mechanism</b>	<b>STAR TC</b>	<b>FMS 2108 Column</b>	<b>TCS Column</b>	<b>SF 133 Line(s)</b>	<b>P&amp;F Line(s)</b>	<b>Notes</b>
7	Special and non-revolving Trust Funds associated with "Available" receipt accounts and invested relationships	No-year, FY	Unexpired/Expired	435600	N/A	SF 1151	N/A	N/A	N/A	1029	1029 unexpired, 1950 unexpired, 1954 expired	- For TAFS where the recipient must return fund balance back to the originating invested TAFS - Treasury views as a return of fund balance rather than as a cancellation
8	Special and non-revolving Trust Funds associated with "Available" receipt accounts and invested relationships that maintain receivables/payables	No-year, FY	Unexpired/Expired	435700	N/A	N/A	N/A	Col. 7	Col. 11	1029	1029 unexpired, 1950 unexpired, 1954 expired	- For TAFS where the recipient maintains a receivable/payable relationship with the invested account - Reverse the receivable

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**Note: Situation # 9 applies specifically to partial “adjustments.” These are treated as adjustments, not as cancellations.**

	<b>Situation</b>	<b>POA</b>	<b>TAFS Status</b>	<b>USSGL Account<sup>2</sup></b>	<b>Def/ Indef</b>	<b>Treasury Mechanism</b>	<b>STAR TC</b>	<b>FMS 2108 Colum</b>	<b>TCS Column</b>	<b>SF 133 Line(s)</b>	<b>P&amp;F Line(s)</b>	<b>Notes</b>
9A	Partial “Adjustment”	No-year, FY	Unexpired/Expired	411900	Indefinite	Negative Warrant	TC 10 <sup>8</sup>	N/A	Col. 2	1100, 1200	1100, 1200	- Because the action is to an indefinite account, Treasury views it as an adjustment rather than as a cancellation - For periods 1-11, the action is usually a negative warrant
9B	Partial “Adjustment”	No-year, FY	Unexpired/Expired	439100	Indefinite	FACTS II: via 2108 GTAS: via ATM	TC 10	FACTS II: Col. 4 GTAS: N/A	Col. 2	1100, 1200	1100, 1200	- Because the action is to an indefinite account, Treasury views it as an adjustment rather than as a cancellation - For period 12, the action is ATM – Yearend Transaction Module (or via FMS 2108)

<sup>8</sup> TC 10 transactions represent Treasury warrants. In Situations 9A and 9B, the indefinite amounts are returned to Treasury and processed as either a negative warrant initiated by the agency, or as a transaction on the FMS 2108 (FY 2013)/ATM process (FY 2014)

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**Note: Situations # 10 - 11 apply to specific permanent reductions.**

	Situation	POA	TAFS Status	USSGL Account <sup>2</sup>	Def/ Indef	Treasury Mechanism	STAR TC <sup>2</sup>	FMS 2108 Colum	TCS Column	SF 133 Line(s)	P&F Line(s)	Notes
10	Permanent Reductions of Spending Authority From Offsetting Collections (SAOC)	No-year, FY	Unexpired	439200 or 439300	N/A	SF 1151 NET: Transfers to GFRA	35 <sup>9</sup>	N/A	Col 5	USSGL 439200: lines 1722/1822 unexpired  USSGL 439300: lines 1131/1230 unexpired	USSGL 439200: lines 1722/1822 unexpired  USSGL 439300: lines 1131/1230 unexpired	- Generally applicable to general and revolving funds; however, may be unique situations including a special or non-revolving trust fund
11	Permanent Reductions in Special and non-revolving Trust Funds	No-year, FY	Unexpired	439200 or 439300	N/A	SF 1151 NET: Transfers to GFRA	35	N/A	Col 5	USSGL 439200: lines 1130/1230 unexpired  USSGL 439300: line 1131/1230 unexpired	USSGL 439200: lines 1130/1230 unexpired  USSGL 439300: line 1131/1230 unexpired	- To date, these reductions have been made pursuant to appropriation acts. If a mandatory reduction pursuant to an authorization act occurs, crosswalk the amount to line 1230 instead of 1130 or 1131

<sup>9</sup> TC 35 represents SF 1151 NET Transfer Type “Transfers to General Fund Receipt Accounts” in the ATM NET application