

ESTIMATES OF
FEDERAL BUDGET OUTLAYS

Staff Working Paper

February 1978



Congressional Budget Office
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Washington, D.C.

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PREFACE

Estimates of Federal Budget Outlays was prepared at the request of Senators Edmund S. Muskie and Henry Bellmon, the Chairman and Ranking Minority Member of the Senate Committee on the Budget. The paper discusses the problems of estimating budgetary outlays, focusing specifically on the recent shortfalls in actual spending below estimated levels. It also weighs the prospects for improving the accuracy of outlay estimates for use by the Budget Committees in formulating annual budgetary resolutions. In addition, it examines the problem of tracking Congressional actions under these resolutions.

The study was prepared by the staff of the CBO's Budget Analysis Division under the supervision of James L. Blum. Debra Goldberg provided assistance in preparing the tables in Appendix A. Thelma L. Jones prepared it for publication.

Alice M. Rivlin
Director

February 1978

1

CONTENTS

	<u>Page</u>
PREFACE	iii
SUMMARY	ix
CHAPTER I. THE SHORTFALL PROBLEM	1
Origin of Spending Estimates	1
Accuracy of Spending Estimates: The Past Record	4
CHAPTER II. SPENDING SHORTFALL IN 1977	9
Shortfall from Budget Resolutions	9
Implications for 1978 Estimates	13
CHAPTER III. PROSPECTS FOR BETTER ESTIMATES OF OUTLAYS	21
CBO Estimates of Outlays	21
Administration Estimates of Outlays	26
Conclusion	27
APPENDIX A. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES FOR MAJOR PROGRAMS	31
APPENDIX B. CBO SCOREKEEPING TABULATIONS FOR 1977	45

1

11

11

TABLES

	<u>Page</u>
TABLE 1. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND BUDGETARY ESTIMATES (ACTUAL MINUS ESTIMATE)	5
TABLE 2. DIFFERENCES BETWEEN ACTUAL BUDGET AUTHORITY AND BUDGET ESTIMATES (ACTUAL MINUS ESTIMATE).	8
TABLE 3. CHANGE IN FISCAL YEAR 1977 OUTLAYS FROM THIRD CONCURRENT RESOLUTION TO ACTUAL, BY MAJOR PROGRAMS	10
TABLE 4. CHANGE IN FISCAL YEAR 1977 OUTLAYS FROM THIRD CONCURRENT RESOLUTION TO ACTUAL BY FUNCTION AND MAJOR PROGRAMS	14
TABLE 5. AGENCY ESTIMATES OF OUTLAYS AND ACTUAL RESULTS FOR FISCAL YEAR 1977	17
TABLE 6. ANNUAL PERCENT GROWTH IN FEDERAL OUTLAYS, FISCAL YEARS 1968-1977	19
TABLE A-1. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES FOR AGENCIES AND MAJOR PROGRAMS	32
TABLE A-2. PERCENT DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES FOR AGENCIES AND MAJOR PROGRAMS	38
TABLE B-1. CBO REESTIMATES OF OUTLAYS FOR FISCAL YEAR 1977 BY FUNCTION AND MAJOR PROGRAM	46
TABLE B-2. SUMMARY OF CHANGES TO CURRENT LEVEL OF OUTLAYS FOR FISCAL YEAR 1977 IN THE CBO PARLIAMENTARIAN STATUS REPORTS.	50

FIGURE

Figure 1. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES	6
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SUMMARY

Federal budget outlays for fiscal year 1977 fell short of the Administration's and Congress' estimates by \$15 billion. Federal outlays have been less than estimated in most years, largely because of a pervasive and persistent upward bias in agency estimates. The error in agency estimates has been increasing in recent years, however, both in absolute and relative terms--from about \$1 billion, or less than 1 percent, in 1969 to \$15 billion, or almost 4 percent of total outlays in 1977.

The need for accurate estimates of outlays has increased with the enactment of the Congressional Budget Act of 1974. Under this act, the Congress each year adopts binding limits on spending and revenue legislation. The Congress is prohibited from considering any legislation that would cause the spending total specified in the second or subsequent budget resolution to be exceeded. Overestimates of outlays could prevent the Congress from taking action on desirable spending items because the Congressionally adopted outlay ceilings might be violated. Also, the suspicion that outlays have been overestimated could lead some Members of Congress to propose "spending the shortfall," thus undermining the budgetary control discipline intended by the resolutions.

Outlays are misestimated for a variety of reasons. Certain outlay estimates are quite sensitive to the assumptions made about the condition of the economy during the fiscal year. For example, outlay estimates for unemployment compensation, which involve very intricate estimating techniques, are based on assumptions about the unemployment rate and the size of the civilian labor force. The estimates for unemployment compensation used for the third budget resolution for fiscal year 1977 were too high by \$1.5 billion, largely because the actual unemployment rate was somewhat lower than assumed for the first quarter of calendar year 1977.

Estimates of outlays may also depend on assumptions made about the timing of Congressional decisions. The Congressional budget resolutions may include provisions for new legislative items that take longer to be enacted than assumed or are not enacted at all. For example, the third budget resolution for

fiscal year 1977 assumed that the Congress would approve the President's proposal for \$50 tax rebates and special payments to nontaxpayers. The President subsequently withdrew this proposal, resulting in a \$3.2 billion "shortfall" from the third resolution. Also, the economic stimulus supplemental appropriation bill was enacted six weeks later than was assumed for the third resolution, causing some delays in the implementation of additional spending to stimulate employment.

There has been a general tendency for some estimates of outlays to be based on desirable policy goals rather than realistic judgments of how fast new and expanded programs can be implemented. Grants to state and local governments often involve unanticipated delays in issuing program regulations, reviewing and approving plans, and implementing the programs at the state and local level. For example, the spending estimates for local public works and employment and training programs used for the third resolution proved to be too high by \$1.5 billion, largely because of overly optimistic assumptions about the time necessary for actual implementation of increased spending for these activities.

Some government financial activities pose substantial problems for estimates of outlays. The associated outlays often represent net financial transactions; that is, disbursements for new loans or major acquisitions are offset by receipts from loan repayments or sale of loan assets or advance payments. To forecast these net outlays accurately requires accurate estimates of both disbursements and receipts. These outlays are also heavily influenced by administrative decisions concerning the sale or holding of loan asset portfolios. These decisions depend upon credit market conditions that are very difficult to predict in advance. The estimates for various financial transactions including net interest and bonuses from sale of offshore oil leases, used for the third budget resolution for 1977 proved to be too high by \$1.0 billion.

Finally, there appears to be a general upward bias in many agency estimates of outlays. This may result from a combination of the natural optimism of agencies about their ability to implement programs and the conservative tendency of program managers to husband their resources through most of the year to meet unanticipated needs or to avoid overspending appropriations. It is not possible to quantify the magnitude of this upward bias, but it probably amounted to several billion dollars in fiscal year 1977.

The Congressional Budget Office has taken a number of steps to remove the upward bias from the Administration's estimates and to improve the accuracy of the CBO outlay estimates used for budget scorekeeping and projections. These steps have proceeded along two avenues. First, CBO has devoted considerable effort to develop techniques for more accurate estimates of total outlays. This includes an elaborate statistical analysis of historical spending patterns for 160 program categories to develop short term forecasts of total outlays that will be accurate within 1.0 percent or better. CBO also consults regularly with four New York investment and banking firms that have been estimating federal outlays for years and have a very good track record. Through these and other means, independent estimates of total outlays can be developed and used as targets for aggregating the spending estimates for the more than one thousand individual spending accounts in the budget.

The second avenue of CBO effort has been to improve the accuracy of its outlay estimates for individual spending programs. This has included the development of sophisticated models for estimating outlays for interest on the public debt, unemployment benefits, and a number of other large and complex programs. CBO has also undertaken several special analyses of individual programs where misestimates have been a problem. These include, for example, Department of Defense spending, which was overestimated by \$2.3 billion for the third budget resolution for 1977, and the foreign military sales trust fund, for which net outlays were also overestimated by a large amount (\$0.7 billion).

CBO has also increased its efforts to monitor actual outlays as reported in the Monthly Treasury Statements. This includes the development of an automated data base for comparing actual spending for 160 program categories with CBO and agency estimates. As a result, CBO has strengthened its ability to adjust its estimates of outlays to reflect actual spending patterns as they emerge from the monthly data.

These and other improvements have been incorporated over the past year into CBO's outlay estimates and budget projections, resulting in significant corrections. CBO's final outlay estimate for fiscal year 1977, made in August for the Budget Committees' use in advising the parliamentarians about the level of total spending, was very close to the actual result announced by the Treasury Department three months later. The CBO August estimate of total 1977 outlays was \$402.6 billion, only \$0.7 billion higher than the actual total of \$401.9 billion. In comparison, the OMB estimate released on August 1, 1977, was \$404.0 billion.

The shortfall phenomenon is likely to continue in fiscal year 1978, although at a lower level than in 1977. Total outlays for 1978 will probably be \$3 to \$8 billion lower than the \$458 billion level specified in the second budget resolution for fiscal year 1978. Actual spending during the first quarter of fiscal year 1978 (October to December) was at a \$454 billion annual rate.

It is clear from the nature of the methods for estimating outlays that there is no simple solution for eliminating errors. Nevertheless, it should be possible to develop more accurate estimates of total outlays earlier in the budget cycle. A goal of achieving 1 percent accuracy in outlay estimates six months before the start of the fiscal year for on-going programs appears to be reasonable. This degree of accuracy would have to rely to a great extent on the law of large numbers in which estimating errors for individual program offset each other. This should be possible if the upward bias from agency estimates can be removed. This level of precision will, however, probably not be possible for all individual programs or budget functions.

Federal outlays for fiscal year 1977 fell short of the Administration's and Congress' estimates by \$15 billion. The same shortfall phenomenon has occurred in previous years, although not with the same magnitude. Overestimating of outlays by federal agencies is the major reason for the problem. Such estimating errors can lead to inappropriate decisions about fiscal policy, improper allocation of resources among programs, and problems in managing the public debt.

The credibility of the new Congressional budget process is also threatened by this shortfall phenomenon. Overestimates of outlays can prevent the Congress from taking action on desirable spending items because the Congressionally adopted outlays ceilings might be violated. Pursuant to the Congressional Budget Act of 1974, the Congress each year adopts binding limits on spending and revenue legislation. The second and any subsequent budget resolutions for a particular fiscal year set ceilings on Congressional actions to provide new budget authority and to increase outlays. Under the Budget Act, the Congress is prohibited from considering any legislation that would cause the budget authority or outlay totals to be exceeded.

This chapter discusses the general problem of making estimates of outlays including an examination of the accuracy of estimates during the past several years. Chapter II presents an analysis of the 1977 spending shortfall from the Congressional budget resolution estimates. It also discusses the implications of the 1977 results for the 1978 estimates of outlays. Chapter III discusses the prospects for improving the accuracy of outlay estimates, and specifically what steps the Congressional Budget Office (CBO) has taken to improve the accuracy of its score-keeping tabulations and budget projections.

ORIGIN OF SPENDING ESTIMATES

The Congress makes explicit decisions on specific figures for new budget authority in annual appropriation bills, but not generally on the outlays that will result from these bills during the budget year. Budget authority is authority provided the federal government under law to enter into obligations that will result in immediate or future outlays. Outlays represent the amount of checks issued, interest accrued on most public debt, or other payments, net of refunds and reimbursements. Total budget outlays consist of the sum of the outlays from appropriations and funds included in the unified budget, less offsetting receipts.

The new budget authority appropriated by the Congress for a fiscal year generally exceeds the outlays from the authority within that year because:

- o There is often a lag between the time budget authority is provided, obligations are made, and checks are issued. For example, budget authority for some major procurement and construction activities covers the estimated full cost of the activities at the time they are started, even though the outlays will take place over a number of years as the projects move toward completion.
- o Budget authority for many loan and guarantee or insurance programs also provides financing for a period of years or represents a contingency backup.
- o Budget authority for trust funds, which usually is provided on a permanent basis generally exceeds outlays. This authority represents income to the funds from special tax receipts, interest earned on trust fund investments, and other special payments to the funds.

As a consequence, a substantial portion of outlays each year result from budget authority provided in prior years.

Estimates of Outlays

Estimates of outlays are based on many factors. Certain outlay estimates are quite sensitive to assumptions about the condition of the economy during the fiscal year. For example, estimates of outlays for unemployment compensation are based on assumptions about the unemployment rate and the size of the civilian labor force. Estimates of outlays for social security and other benefit payment programs that are automatically adjusted by law for increases in the cost of living are sensitive to assumptions about the rate of inflation. Similarly, estimates of outlays for farm price supports depend upon assumptions about the behavior of farm prices, that, in turn, depend upon assumptions about weather conditions, crop yields, and farm export levels.

Other outlay estimates may depend on assumptions about the timing of Congressional decisions, particularly for new programs. The Congressional budget resolutions may include provisions for new legislative items that take longer to be enacted than assumed or are not enacted at all.

Many outlay estimates depend, at least implicitly, on assumptions about the speed with which projects are started and completed. Construction projects in particular may take longer to complete than anticipated because of adverse weather or other factors. Also, grants to state and local government often involve unanticipated delays in issuing program regulations, reviewing and approving plans, and implementing the programs at the state and local level.

Some estimates of outlays represent net financial transactions; for example, new loans made net of loan repayments. Several government loan programs can also sell loan assets and other securities to the private sector or the Federal Financing Bank. These sales are recorded as negative outlays. Net outlay estimates for these programs are based on assumptions about the level of loan activities during the fiscal year, the amount of loan repayments, and sales of assets. These, in turn, depend on assumptions about interest rates and private credit needs. To forecast net outlays accurately requires accurate estimates of both disbursements and receipts. It is very difficult, however, to predict accurately all of the factors that influence the management of these programs. Furthermore, the management decisions that affect outlays are not made centrally; many different agencies and people are often involved.

In short, estimates of outlays depend on a variety of factors, many of which are not subject to direct Congressional control. While they are more subject to administrative control--for example, the timing of asset sales or the signing of procurement contracts is an administrative decision--outlay estimates by the Executive Branch are still subject to large errors from time to time because of unforeseen changes in economic conditions, adverse weather, unanticipated delays at the state and local government level, and other factors.

Estimates of Budget Authority

A major portion of new budget authority (35 percent) is provided each year through means other than annual appropriation bills. For example, the new budget authority provided annually for social security and other social insurance trust funds represents trust fund income and is derived primarily through receipts from special taxes. The budget authority for interest on the public debt is provided automatically by a permanent appropriation enacted in 1847.

It is necessary to make estimates each year of the amount of new budget authority that will be generated by special taxes or will be required for interest payments. These estimates can also err by significant amounts. For example, social insurance taxes and contributions are closely related to the amount of wages and salaries paid to individuals. Therefore, the budget authority estimates for the social insurance funds are sensitive to assumptions about the performance of the economy. If employment levels drop unexpectedly, wages and salaries will be less than expected and the new budget authority for these trust funds is likely to be overestimated.

ACCURACY OF SPENDING ESTIMATES: THE PAST RECORD

An examination of the record of past budgetary estimates reveals a systematic pattern of discrepancies between estimated and actual outlays. Table 1 compares actual outlays with the Administration's initial budget and revised estimates between 1969 and 1977. The differences between estimates and actual outlays show the following pattern: the initial budget outlay estimates, made six months before the start of the fiscal year, ^{1/} are generally too low. Twelve months later, or midway through the fiscal year, the Administration's revised estimates are generally too high.

This pattern appears to reflect a general tendency on the part of the Administration to underestimate spending when putting together the budget for the next year--perhaps to show a budget surplus or a smaller deficit than would otherwise occur. Later, after the Congress has completed action on Administration proposals and the Administration is focusing on formulating its budget for the next fiscal year, the revised outlay estimates are based on agency expectations, which appear to have an upward bias. Agencies generally are not penalized for overestimating, but the penalties for underestimates can be considerable. Thus, to be conservative, the agencies may tend to shade upward their estimates of outlays whenever there is a reasonable range of possible estimates. This tends to bolster their case for more money next year as well as protecting them against the charge of overspending in the current year.

^{1/} Beginning with fiscal year 1977, the initial budget estimates are made nine months before the start of the fiscal year.

TABLE 1. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND BUDGETARY ESTIMATES (ACTUAL MINUS ESTIMATE): BY FISCAL YEARS

Year	Initial Estimate a/ (Billions of dollars)	(Percent)	Revised Estimate b/ (Billions of dollars)	(Percent)
<u>Administration Estimates</u>				
1969	-1.5	-0.8	0.9	0.5
1970	1.3	0.7	-1.3	-0.7
1971	10.6	5.0	-1.4	-0.7
1972	2.7	1.2	-4.7	-2.0
1973	0.2	0.1	-3.3	-1.3
1974	-0.3	-0.1	-6.3	-2.3
1975	20.2	6.2	11.2	3.5
1976	16.2	4.4	-7.9	-2.2
1977	7.7	1.9	-14.7	-3.7
<u>Congressional Resolutions</u>				
1976	-2.2	-0.6	-10.1	-2.8
1977	-11.4	-2.8	-15.6	-3.9

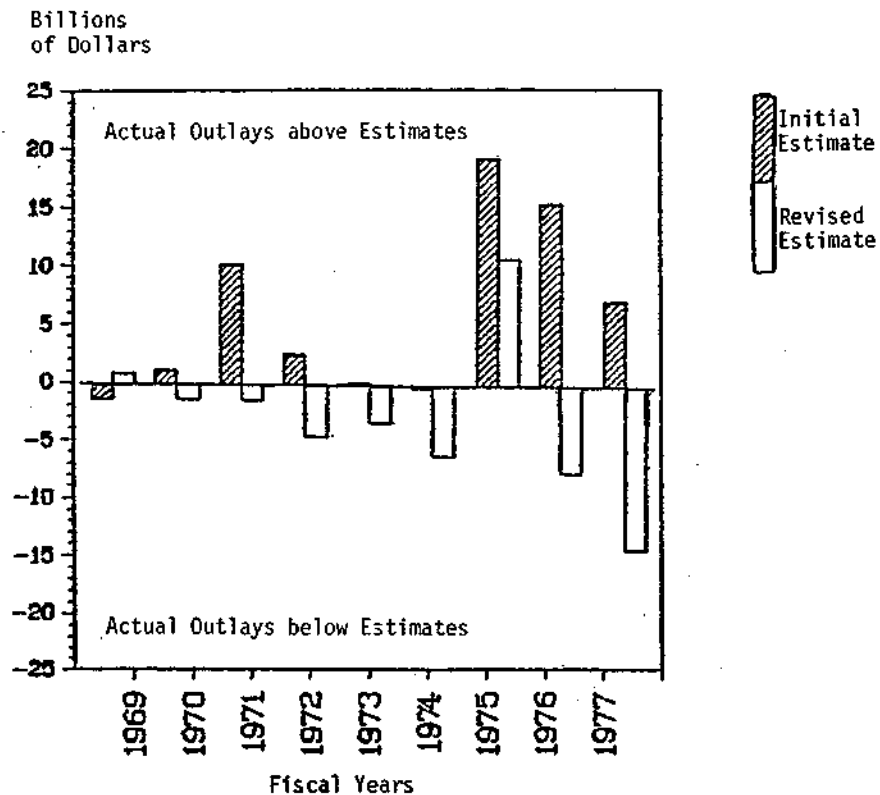
a/ Initial Administration estimates are those contained in the President's original budget request. Initial Congressional resolutions are the first concurrent resolutions on the budget.

b/ Revised Administration estimates are those contained in the President's budget for the following year. The 1977 revised Administration estimate is the estimate submitted by President Carter in February 1977. The revised estimates used for the Congressional resolutions are the second concurrent resolution for fiscal year 1976 and the third concurrent resolution for fiscal year 1977.

Table 1 shows that in only one year since 1969 has the Administration's midyear estimate of outlays proved too low. This happened in 1975 when a combination of factors, including an unanticipated deterioration in the economy and the refusal by the Congress to adopt Administration proposed cutbacks in various programs, resulted in a higher level of outlays than was estimated midway in the fiscal year.

Table 1 also suggests that estimating errors for total outlays have grown larger over the past several years. During the past four fiscal years, the discrepancy between the Administration's revised estimate and actual outlays has averaged \$10 billion, or 2.9 percent. This compares with an average error in midyear estimates of \$2.3 billion or 1.0 percent during the previous five-year period (1969-1973). This is shown graphically in Figure 1.

FIGURE 1.
DIFFERENCES BETWEEN ACTUAL OUTLAYS
AND ADMINISTRATION ESTIMATES



During the past nine years, the size of the federal budget has more than doubled, rising from \$185 billion in outlays in fiscal year 1969 to \$402 billion in 1977. The largest part of this growth--over 70 percent--occurred in the last four years. It would appear that as the federal budget has grown larger and more complex, it has become increasingly difficult to make accurate estimates of outlays.

Table 1 also shows that the Congressional budget resolutions for fiscal years 1976 and 1977 have assumed significantly higher outlays than actually occurred, particularly for the revised resolutions. Since the second and any subsequent resolution sets a binding ceiling on Congressional actions to increase spending, there may be some tendency for the Budget Committees to overestimate outlays to provide room for any unanticipated events and thus avoid the need for another resolution. It is also likely that the Congressional Budget Office may have overestimated the outlays that would result from some of the Congressional increases to the Administration's budgets for fiscal years 1976 and 1977.

Further details on the differences between actual outlays and Administration budget estimates for the past five years are shown in Appendix A. On the basis of the data presented there, the following conclusions can be drawn:

- o No particular set of agencies or programs has been the major source of estimating errors. Rather, errors in estimating outlays have occurred for most agencies and programs.
- o The largest estimating errors in percentage terms are for programs involving financing transactions, for example, the foreign military sales trust fund, Farmers Home Administration, Federal Housing Administration fund, GNMA assistance functions fund, Export-Import Bank, and offshore oil leases.
- o Major errors have also been made for programs that are highly sensitive to economic assumptions. For example, unemployment benefits were greatly underestimated in the original fiscal year 1975 budget, which did not anticipate the 1974-1975 recession.

Budget Authority

Table 2 shows the difference between actual budget authority and Administration budget estimates of new budget authority for the past nine years. The large differences from the initial budget estimates represent primarily Administration attempts to cut back the level of federal spending. The differences between actual budget authority and the revised estimates are quite small, generally less than 2 percent. The severity of the estimating problem for budget authority does not appear to be as great as for outlays resulting from new authority. This is to be expected since the bulk of new authority (65 percent) is provided each year through appropriation bills containing specific amounts of budget authority.

TABLE 2. DIFFERENCES BETWEEN ACTUAL BUDGET AUTHORITY AND BUDGET ESTIMATES (ACTUAL MINUS ESTIMATE); BY FISCAL YEARS

Year	<u>Initial</u> (Billions of dollars)	<u>Estimate a/</u> (Percent)	<u>Revised</u> (Billions of dollars)	<u>Estimate b/</u> (Percent)
<u>Administration Estimates</u>				
1969	-5.5	-2.8	1.6	0.8
1970	2.9	1.4	3.9	1.8
1971	18.4	7.8	0.1	*
1972	-0.9	-0.4	-1.7	-0.7
1973	5.8	2.1	-3.7	-1.3
1974	25.9	8.3	3.0	1.0
1975	90.0	21.8	-17.0	4.1
1976	29.5	7.1	6.9	1.7
1977	31.8	6.8	1.2	0.3
<u>Congressional Resolutions</u>				
1976	27.8	6.7	6.5	1.6
1977	11.0	2.4	-7.7	-1.7

a/ Initial Administration estimates are those contained in the President's original budget request. Initial Congressional resolutions are the first concurrent resolutions on the budget.

b/ Revised Administration estimates are those contained in the President's budget for the following year. The 1977 revised Administration estimate is the estimate submitted by President Carter in February 1977. The revised estimates used for the Congressional resolutions are the second concurrent resolution for fiscal year 1976 and the third concurrent resolution for fiscal year 1977.

Total outlays for fiscal year 1977 were \$401.9 billion. This total was well below the \$417.45 billion level specified in the third budget resolution for 1977 that was adopted by the Congress in March 1977, and the adjusted level of \$409.2 billion for outlays adopted two months later in May. This chapter presents various details on the differences between actual outlays and the estimates used for the Congressional budget resolutions. It also discusses the implications of the 1977 results for fiscal year 1978 estimates of outlays.

SHORTFALL FROM BUDGET RESOLUTIONS

On March 3, 1977, the Congress adopted a third resolution for fiscal year 1977 in order to accommodate anticipated Congressional action on measures needed to stimulate the economy. The outlay ceiling was raised from \$413.1 billion to \$417.45 billion. Two months later, on May 17, the Congress adjusted the outlay ceiling downward to \$409.2 billion to reflect the withdrawal of President Carter's proposal for \$50 tax rebates and special payments to nontaxpayers (-\$3.2 billion), and lower estimates of spending (-\$5.1 billion).

Actual outlays for fiscal year 1977, as reported by the Department of the Treasury on October 27, 1977, totaled \$401.9 billion, or \$7.3 billion less than specified in the amended third budget resolution adopted in May. Most of this shortfall was anticipated in the CBO scorekeeping tabulations that are used by the Budget Committees to advise the parliamentarians on the current budget levels. The final CBO estimate of 1977 outlays, made in August, was \$402.6 billion, only \$0.7 billion higher than the actual level.

Table 3 provides a summary of the 1977 spending shortfall from the third budget resolution by major program area. As noted earlier, the withdrawal of the \$50 tax rebate proposals accounts for \$3.2 billion, or 20 percent of the \$15.6 billion difference between the third budget resolution outlay ceiling and actual outlays. The remaining \$12.4 billion difference was spread over a large number of programs and resulted from several

TABLE 3. CHANGE IN FISCAL YEAR 1977 OUTLAYS FROM THIRD CONCURRENT RESOLUTION TO ACTUAL, BY MAJOR PROGRAMS: IN BILLIONS OF DOLLARS

Major Programs	3rd Res. to 3rd Res. Amended	3rd. Res. Amended to Actual	Total Change
Withdrawal of \$50 rebate	-3.2	--	-3.2
Payments for Individuals			
Social security	0.6	-0.3	0.3
Unemployment compensation	-1.4	a/	-1.5
Medicare and medicaid	-0.3	-0.4	-0.7
Public assistance and related programs	-0.3	0.1	-0.2
Veterans' compensation, pensions and benefits	--	-0.3	-0.3
Other	0.1	0.1	0.2
Subtotal	<u>-1.3</u>	<u>-1.0</u>	<u>-2.3</u>
Farm Price Supports (CCC)	1.5	0.3	1.8
Economic Stimulus and Related Programs			
Employment and training programs	-1.1	--	-1.1
Antirecession financial assistance	--	-0.5	-0.5
Local public works	-0.1	-0.3	-0.4
Subtotal	<u>-1.2</u>	<u>-0.8</u>	<u>-2.0</u>
Financial Transactions			
Farmers Home Administration	--	1.4	1.4
Net interest	--	0.5	0.5
Military sales trust fund	-0.7	a/	-0.7
GNMA special assistance functions fund	-0.5	-0.2	-0.7
Export-Import Bank	-0.3	-0.3	-0.6
Federal Home Loan Bank Board	-0.4	-0.1	-0.5
Federal Housing Administration fund	--	-0.3	-0.3
OCS rents and royalties and other	0.5	-0.6	-0.1
Subtotal	<u>-1.4</u>	<u>0.4</u>	<u>-1.0</u>

(Continued)

TABLE 3. (Continued)

Major Programs	3rd Res. to 3rd Res. Amended	3rd Res. Amended to Actual	Total Change
Construction Programs			
EPA construction grants	--	-0.7	-0.7
Major water and power projects	-0.4	-0.3	-0.6
Community development grants and urban renewal	-0.2	-0.3	-0.5
Other	-0.1	-0.1	-0.1
Subtotal	<u>-0.7</u>	<u>-1.4</u>	<u>-2.0</u>
Department of Defense - Military	-0.5	-1.9	-2.3
All Other Outlay Changes			
Military assistance and foreign aid	a/	-1.0	-1.0
HEW Education Division	-0.3	-0.5	-0.8
Agriculture - general operations and receipts	--	-0.7	-0.7
Federal Energy Administration	-0.1	-0.4	-0.5
ERDA	-0.5	0.2	-0.4
Disaster relief	--	-0.2	-0.2
Social services grants	-0.2	a/	-0.2
Other	-0.3	-0.4	-0.7
Subtotal	<u>-1.5</u>	<u>-3.0</u>	<u>-4.5</u>
Total Changes	-8.3	-7.3	-15.6

Note: Detail may not add because of rounding.

a/ Less than \$50 million.

factors, including some inaccuracies in the underlying economic assumptions, some delay in final Congressional action on the economic stimulus supplemental, overly optimistic assumptions about the time required to implement new and expanded programs, misestimates of the net result of various financial transactions, and a general upward bias in many agency estimates.

Payments for individuals under various entitlement programs, which are sensitive to economic conditions, were overestimated by \$2.3 billion for the third budget resolution. Most of this overestimate was for unemployment compensation (\$1.5 billion) and was reflected in the May amendments to the third resolution. The actual unemployment rate was somewhat lower than assumed for the third resolution, particularly for the first quarter of calendar year 1977.

Farm price supports, on the other hand, were underestimated by \$1.8 billion for the third resolution. The higher than expected outlays reflect the problem of large crops and falling market prices, as well as the higher dairy support rate adopted by the Administration on April 1, 1977. Most of the underestimate was corrected in the May amendments to the third resolution.

Actual outlays for several economic stimulus and related programs were \$2.0 billion lower than assumed for the third resolution. This shortfall was caused by several factors. First, the economic stimulus supplemental appropriations bill was enacted six weeks later than assumed for the third budget resolution. Second, the outlay estimates used for the third resolution were overly optimistic about the time necessary for actual implementation, particularly for the public service jobs programs. Finally, part of the overestimate for antirecession financial assistance outlays results from the lower than anticipated unemployment rate in the first quarter of 1977.

The estimating error for net financial transactions was only \$1.0 billion for the third budget resolution, but this resulted largely from offsetting estimating errors for several different programs. The Farmers Home Administration decided not to make the asset sales assumed for the resolutions, greater than anticipated receipts were received for foreign military sales, GNMA asset sales were larger than expected, and the loan activity of the Export-Import Bank was lower than expected. The amendments to the third budget resolution over-adjusted for these estimating errors by \$400 million.

Outlays for several construction programs were overestimated by \$2.0 billion for the third resolution. The severe winter weather caused delays in some programs. Also, state and local governments did not spend grant funds at the rate expected, particularly for municipal waste treatment facilities and for community development projects.

Spending by the Department of Defense was \$2.3 billion lower than assumed for the third budget resolution. Defense spending was overestimated, however, by an even larger amount during fiscal year 1976. The shortfall in defense spending and the \$4.5 billion shortfall in other federal programs reflects the general upward bias in agency estimates throughout the budget.

Table 4 provides a similar comparison between the third budget resolution and actual fiscal year 1977 outlays by major functional categories. Five functions account for most of the total shortfall from the third resolution: income security (-\$4.4 billion); national defense (-\$3.4 billion); natural resources, environment, and energy (-\$3.0 billion); education, training, employment, and social services (-\$2.4 billion); and community and regional development (-\$1.8 billion). Unanticipated increases in agriculture; general science, space, and technology; and undistributed offsetting receipts were more than offset by shortfalls in the other functions.

IMPLICATIONS FOR 1978 ESTIMATES

The experience of the past two years reveals a widespread tendency on the part of federal agencies to overestimate outlays. Estimates of outlays for new and rapidly expanding programs are based on agency plans that are generally too optimistic, particularly for programs that involve grants to state and local governments. Optimism may be appropriate for program implementation purposes, but not for realistic estimates of outlays. As noted earlier, agency budget officials also have various incentives to overestimate outlays. The bureaucratic penalties for underestimates of spending are generally greater than for overestimates. For example, the focus of governmental accounting traditionally has been on preventing overspending of appropriations. As shown in Table 5, the 1977 estimates

TABLE 4. CHANGE IN FISCAL YEAR 1977 OUTLAYS FROM THIRD CONCURRENT RESOLUTION TO ACTUAL BY FUNCTION AND MAJOR PROGRAMS: IN BILLIONS OF DOLLARS

Function and Major Program	3rd Res. to 3rd Res. Amended	3rd Res. Amended to Actual	Total Change
National Defense			
Department of Defense - Military	-0.5	-1.9	-2.3
Military sales trust fund	-0.7	a/	-0.7
Military assistance and other	--	-0.3	-0.3
Subtotal	<u>-1.2</u>	<u>-2.2</u>	<u>-3.4</u>
International Affairs			
Export - Import Bank	-0.3	-0.3	-0.6
Security supporting assistance	--	-0.5	-0.5
Other	a/	-0.2	-0.2
Subtotal	<u>-0.3</u>	<u>-1.0</u>	<u>-1.3</u>
General Science, Space and Technology	0.2	0.1	0.2
Natural Resources Environment, and			
Energy			
EPA construction grants	--	-0.7	-0.7
Major water and power projects	-0.4	-0.3	-0.6
Federal Energy Administration	-0.1	-0.4	-0.5
Energy Research & Development Admin.	-0.5	0.3	-0.3
Forest Service	--	-0.3	-0.3
National Park Service	a/	-0.1	-0.1
Other	-0.1	-0.4	-0.5
Subtotal	<u>-1.1</u>	<u>-1.9</u>	<u>-3.0</u>

(Continued)

TABLE 4. (Continued)

Function and Major Program	3rd Res. to 3rd Res. Amended	3rd Res. Amended to Actual	Total Change
Agriculture			
Farm price supports (CCC)	1.5	0.3	1.8
Agricultural credit insurance fund	--	0.7	0.7
Other	a/	-0.1	-0.1
Subtotal	<u>1.5</u>	<u>0.9</u>	<u>2.4</u>
Commerce and Transportation			
GNMA special assistance functions fund	-0.5	-0.2	-0.7
Federal Home Loan Bank Board	-0.4	-0.1	-0.5
Federal housing administration fund	--	-0.3	-0.3
Rural housing insurance fund	--	0.7	0.7
Department of Transportation	-0.2	-0.2	-0.4
Other	a/	-0.2	-0.2
Subtotal	<u>-1.1</u>	<u>-0.2</u>	<u>-1.4</u>
Community and Regional Development			
Antirecession financial assistance	--	-0.5	-0.5
Community development grants and urban renewal	-0.2	-0.3	-0.5
Local public works	-0.1	-0.3	-0.4
Disaster relief	--	-0.2	-0.2
Other	-0.1	-0.1	-0.2
Subtotal	<u>-0.5</u>	<u>-1.4</u>	<u>-1.8</u>
Education, Training, Employment and Social Services			
HEW Education Division	-0.3	-0.5	-0.8
Employment and training programs	-1.1	--	-1.1
Social service grants	-0.2	a/	-0.2
Other	-0.2	-0.1	-0.3
Subtotal	<u>-1.8</u>	<u>-0.6</u>	<u>-2.4</u>

(Continued)

TABLE 4. (Continued)

Function and Major Program	3rd Res. to 3rd Res. Amended	3rd Res. Amended to Actual	Total Change
Health			
Medicare and medicaid	-0.3	-0.4	-0.7
Other	a/	0.2	0.2
Subtotal	<u>-0.3</u>	<u>-0.3</u>	<u>-0.6</u>
Income Security			
Withdrawal of \$50 rebate	-3.2	--	-3.2
Social security	0.6	-0.3	0.3
Unemployment compensation	-1.4	a/	-1.5
Public assistance and other	-0.2	0.2	a/
Subtotal	<u>-4.2</u>	<u>-0.2</u>	<u>-4.4</u>
Veterans' Benefits and Services			
Readjustment benefits	--	-0.4	-0.4
Compensation and pensions	--	0.1	0.1
Other	a/	0.1	0.1
Subtotal	<u>a/</u>	<u>-0.2</u>	<u>-0.2</u>
Law Enforcement and Justice	a/	-0.1	-0.1
General Government	0.1	-0.3	-0.2
Revenue Sharing and General Purpose			
Fiscal Assistance	--	a/	a/
Interest	--	a/	a/
Undistributed Offsetting Receipts			
Interest received by trust funds	--	0.5	0.5
OCS rents and royalties	0.5	-0.5	a/
Employer's share, employee retirement	--	0.1	0.1
Subtotal	<u>0.5</u>	<u>a/</u>	<u>0.5</u>
Total Changes	-8.3	-7.3	-15.6

Note: Detail may not add because of rounding.

a/ Less than \$50 million.

of outlays assumed for the third budget resolution and made by the Administration in February (excluding the \$50 rebate proposal that was withdrawn for policy reasons) were high compared to actual results for all major agencies, except the Department of Agriculture and the National Aeronautics and Space Administration.

It is likely that the estimates of outlays for fiscal year 1978 are also overestimated. The second budget resolution for fiscal year 1978 specifies outlays of \$458.25 billion. The most recent Administration estimate of 1978 outlays, included in the President's budget for fiscal year 1979, is \$462.2 billion. The Administration's estimate assumes that outlays would increase by 15 percent over the 1977 level, a rate of increase achieved only once in the last 10 years as shown in Table 6. The second budget resolution for 1978 implies a growth of 14 percent for total outlays, which is also high by historical standards. During the past 10 years, federal outlays have grown at an average annual rate of slightly below 10 percent.

The latest CBO scorekeeping estimate of the current level of 1978 outlays, assuming enactment of the pending supplemental appropriations bill (H.R. 9375), is \$455 billion. 1/ The consensus view of the major New York banking and investment firms is that 1978 outlays will be in the \$450 to \$455 billion range. These firms have a good track record and reported the spending shortfalls in 1976 well before the end of the fiscal year. The Conference Board's latest estimates for 1978 budget outlays are also in the \$450 to \$455 billion range. 2/

1/ Congressional Budget Office, 1978 Congressional Budget Scorekeeping Report No. 5, as of December 15, 1977, end of session.

2/ The Conference Board, The Federal Budget: Its Impact on the Economy, No. 3 Fiscal 1978, November 1977.

TABLE 5. AGENCY ESTIMATES OF OUTLAYS AND ACTUAL RESULTS FOR FISCAL YEAR 1977:
IN BILLIONS OF DOLLARS

Agency	3rd Res. Assumptions <u>a/</u>	OMB Fed. Estimates <u>b/</u>	Actual
Legislative Branch	1.1	1.0	1.0
The Judiciary	0.4	0.4	0.4
Executive Office of the President	0.1	0.1	0.1
Funds Appropriated to the President	4.5	4.3	2.5
Agriculture	14.3	14.4	16.7
Commerce	3.3	3.2	2.6
Defense - Military	98.1	98.1	95.8
Defense - Civil	2.5	2.5	2.3
Health, Education, and Welfare	148.6	148.2	147.5
Housing and Urban Development	7.8	7.7	5.8
Interior	3.5	3.5	3.1
Justice	2.4	2.4	2.4
Labor	25.0	24.0	22.4
State	1.1	1.2	1.1
Transportation	12.9	12.8	12.5
Treasury	50.2	50.4	49.6
Energy Research and Development Admin.	5.4	5.4	5.0
Environmental Protection Agency	5.0	5.3	4.4
General Services Administration	0.2	0.2	<u>c/</u>
National Aeronautics and Space Admin.	3.7	3.7	3.9
Veterans Administration	18.2	18.4	18.0
Other Independent Agencies	21.6	21.2	20.0
Undistributed Offsetting Receipts			
Employer's share, employee retirement	-4.7	-4.6	-4.5
Interest received by trust funds	-8.6	-8.2	-8.1
OCS rents and royalties	-2.3	-2.3	-2.4
Total	414.2	413.4	401.9

Note: Detail may not add because of rounding.

a/ Excludes \$50 rebate proposal.

b/ Excludes \$50 rebate proposal and earned credit.

c/ Less than \$50 million.

TABLE 6. ANNUAL PERCENT GROWTH IN FEDERAL OUTLAYS, FISCAL YEARS 1968 - 1977

Fiscal Year	Percent Increase in Outlays Over Previous Years
1968	13.0
1969	3.2
1970	6.5
1971	7.5
1972	9.7
1973	6.5
1974	9.1
1975	20.9
1976	12.4
1977	8.8 <u>a/</u>

Ten-year average	9.8

a/ Comparable prior period is October 1, 1975 to September 30, 1976 because of the change in the fiscal year period beginning with fiscal year 1977.

Actual spending during the first quarter of fiscal year 1978 was \$113.3 billion, or 14.4 percent above the rate for the comparable three-month period in fiscal year 1977. This relatively high rate of spending occurs primarily because of an acceleration of outlays by the Commodity Credit Corporation (CCC). The remainder of outlays in the first quarter of 1978 were 12.2 percent above the level in the first quarter of 1977. If this rate continues and the CCC outlays do not rise above the Administration's estimates for the year, 1978 outlays would total \$454 billion.

Thus, assuming no new major policy initiatives that would change the spending assumptions of the second resolution, it seems highly unlikely that budget outlays could be as high as the level specified in the resolution. Rather, total outlays for fiscal year 1978 will probably be \$3 to \$8 billion lower than the \$458 billion resolution level, and \$7 to \$12 billion below the Administration's latest estimate.

As discussed in Chapter I, errors in estimating total budget outlays are not a new phenomenon. The general pattern has been to overestimate total outlays by increasing amounts. In absolute terms, the difference between estimated and actual spending has grown from \$1 billion in fiscal year 1969 to \$15 billion in 1977. This estimating error has also increased in percent terms--from 1 percent to nearly 4 percent.

Given the nature of budget outlays and the many factors that influence them, there will always be estimating errors. But the discipline of the new Congressional budget process requires more accurate estimates. This chapter discusses the general prospects for improving the accuracy of outlay estimates, and specifically what steps CBO has taken to improve the accuracy of its budget projections and scorekeeping tabulations.

CBO ESTIMATES OF OUTLAYS

During its first year of operation, CBO relied primarily on Office of Budget and Management (OMB) and agency estimates of outlays and spending rates for its scorekeeping tabulations. CBO made independent estimates only in limited instances to reflect the different economic assumptions used for the budget resolutions or different assumptions about other factors that might affect outlays.

During the past year, however, CBO has been developing procedures and methodologies to make independent estimates of outlays on a much wider basis. This effort has proceeded on two levels: first, a more accurate determination of total outlays both in the current fiscal year and in the next fiscal year; and second, a more precise estimation of outlays for individual programs. Although CBO continues to review OMB and agency spending estimates, CBO is now far less dependent on such information than a year ago, as a result of these efforts to produce independent estimates. CBO's current approach places the burden of proof on the agency or OMB if their estimates differ substantially from estimates derived from other sources of information.

Total Outlays

The traditional method of making estimates of total budget outlays has been to add up the estimates for the more than one thousand individual spending accounts. During the past year, CBO has developed a number of projections about the likely level of total federal outlays during the next 12 to 18 months using more aggregative techniques. These independent projections can then be used to judge the reasonableness of the results obtained by adding up the estimates for the individual spending accounts.

One independent check of the reasonableness of estimates of total outlays is a comparison of the projected rate of annual increase with recent historical experience, such as provided in Table 6. Based on this experience, a percent increase of total outlays above 12 to 13 percent would not appear to be reasonable unless there are special circumstances involved, such as a rapid deterioration of the economy or the outbreak of a major war.

Another technique is to develop short-term projections based on recent monthly experience. To make these types of projections, CBO has developed a separate automated outlay monitoring data base that provides summary analysis of monthly spending for 160 major program groupings, accounting for 100 percent of the budget.

A third approach is a statistical analysis of actual spending patterns to develop short-run projections of federal outlays. A preliminary analysis of the applicability of time-series techniques for projecting federal outlays was completed in August 1977 for CBO by two noted statisticians. This analysis covered ten years of monthly outlays divided into about fifty program components as contained in Table V of the Monthly Treasury Statements. The analysis demonstrated that time-series techniques work reasonably well for a large number of programs. The analysis showed that quarterly forecasts of total outlays without any program detail can be made using time-series techniques to within ± 1.6 percent 50 percent of the time and to within ± 3 percent 80 percent of the time.

This preliminary analysis is now being extended to the 160 program components included in the CBO automated outlay monitoring data base to produce a set of mathematical equations for making short-run projections of these programs. For those programs that are not susceptible to time-series statistical forecasting techniques, CBO will develop other independent models that can take account of various economic and programmatic factors affecting outlays.

The goal of this statistical analysis is to develop an independent approach using 160 program categories to forecast total federal outlays for periods of up to one year that will be accurate within 1.0 percent or better. This level of accuracy will not be possible for all individual spending programs. Taking advantage of the law of large numbers in which individual errors are offsetting, however, more accurate estimates of total outlays should be possible.

Finally, CBO is now in frequent contact with four New York banking and investment firms that make independent estimates of federal spending. These firms monitor federal spending on a daily, monthly, and annual basis to guide their purchases and sales of government securities. In recent years, the federal spending estimates by these firms have been more accurate than the OMB estimates.

Individual Programs

The second major area of CBO effort is to improve the accuracy of its estimates of outlays for individual spending programs. CBO has developed a number of independent models for estimating outlays for programs that are sensitive to assumptions about the economy and program utilization areas. For example, CBO has developed an econometric model for estimating interest on the public debt. Given accurate economic assumptions, this model should minimize the estimating errors in that account, which by itself accounts for more than 10 percent of the federal budget. CBO has improved models and techniques for social security benefits, unemployment insurance outlays, and veterans' readjustment benefits that together equal almost 30 percent of the budget. As time permits, a full description

of these models will be published in a series of technical analysis papers. Two such papers have already been published. 1/

CBO staff has also undertaken several special analyses of spending patterns for other individual programs in which mis-estimates have occurred. For example, special analysis of defense spending during the past ten years was done using new time-series techniques. This study took explicit account of instances in which the full amount of annual appropriations was obligated and therefore lapsed. CBO examined the operations of the public enterprise funds of the Farmers Home Administration that have exhibited large unforeseen changes in outlays in recent years. CBO has under way a study of the Foreign Military Sales Trust Fund, which also has very volatile spending patterns.

On the basis of these and other special analyses, revised rates of expenditures from new budget authority have been adopted where appropriate for CBO scorekeeping tabulations and five-year budget projections. These new rates in some instances differentiate between average and marginal rates; that is, major increases in new budget authority are assumed to spendout at a lower rate than from current levels.

In addition to developing more accurate estimates for total outlays and those for individual programs, CBO has increased its efforts to monitor actual outlays as reported in the Monthly Treasury Statements and to compare actual spending rates with those assumed for the CBO outlay estimates for individual programs. The development of the automated outlay monitoring data base noted above also assists in this effort. As a result, the CBO scorekeeping estimates can be adjusted to reflect actual spending patterns as they emerge from the monthly data.

Results to Date

The results of these various efforts were incorporated in the CBO estimates of fiscal year 1977 outlays for its scorekeeping tabulations, particularly during the second half of the

1/ Congressional Budget Office, Estimating Outlays for Unemployment Compensation Programs, October 1976: and Estimating Outlays for the Interest on the Public Debt, October 1977.

fiscal year. As noted in Chapter II, the CBO estimate of outlays for 1977, made two months before the end of the fiscal year, was \$402.6 billion, only \$0.7 billion above the actual level (within two-tenths of 1 percent). This represents a considerable improvement in accuracy from the year before when the last CBO estimate for fiscal year 1976 was off by \$7.7 billion, or 2.1 percent. (Appendix B provides further details on the CBO scorekeeping tabulations for fiscal year 1977). In comparison, the Administration's final estimate for 1977, released in testimony by OMB before the House Ways and Means Committee on August 1, 1977, was \$404.4 billion. OMB's July 1 mid-session review estimate was \$406.4 billion.

The bulk of CBO estimates of outlays for fiscal year 1978 also have been made using independent techniques rather than relying primarily on agency plans and estimates. In its revised estimates of outlays for fiscal year 1978, released in November 1977, OMB included \$11.1 billion of outlay reductions, mostly for programs that had shortfalls in 1977 spending. To a large extent, these downward reestimates had been anticipated by CBO in the outlay estimates for 1978 it provided the Budget Committees in July and August for the second budget resolution.

Similarly, improvements have been incorporated in CBO's current policy projections for fiscal year 1979. 2/ For example, the December projection of current policy outlays for 1979 is 8 percent above the 1978 second concurrent resolution. This compares to 10 percent outlay growth over the 1977 base for last year's current policy projections for 1978.

This lower rate of increase reflects a concerted CBO effort to reduce 1979 outlay projections consistent with recent shortfall experience. These projections--as revised to take into account information received from OMB in the 1979 President's budget. Treasury spending data for November and December 1977, and the budget committee staff economic assumptions--should provide a reasonable base for developing a realistic first concurrent resolution for 1979.

2/ See Congressional Budget Office, Five-Year Budget Projections: Fiscal Years 1979-1983, December 1977.

ADMINISTRATION ESTIMATES OF OUTLAYS

The Office of Management and Budget also has made efforts to improve the accuracy of the Administration's estimates of outlays. OMB recently conducted a review of the current "state-of-the-art" of federal outlay estimating by selected (mostly the larger) agencies. The results of this review are contained in a technical staff paper released on December 15, 1977. ^{3/} The paper discusses estimating problems common to different categories of federal programs and indicates that the Administration is taking several steps to improve its estimates. These include the following:

- o More effort is being made by agencies to use computer models and other sophisticated techniques to improve their estimates of outlays.
- o Agencies are being asked to incorporate realistic judgments by program managers about the timing of program implementation, particularly for new programs and major program expansions.
- o OMB is encouraging agencies to recognize the difference between setting desirable policy goals and developing outlay estimates that reflect, conservatively or even pessimistically, the capabilities to accomplish program implementation during the outlay period. The pressure of the Administration's policy goals has sometimes interfered with making accurate estimates, particularly for new programs and major program expansions.
- o OMB is giving increased emphasis to regular tracking of actual outlays and comparisons with previous projections, similar to the CBO monitoring effort. Where appropriate, OMB will substitute its own independent judgments on outlays for the agency estimates.

^{3/} Office of Management and Budget, Overview of the Current "State-of-the-Art" of Federal Outlay Estimating, Technical Staff Paper, December 15, 1977.

In addition, the considerable attention that has been given to the shortfall problem by the Budget Committees and the press and the consequent increased awareness of the problem in the agencies may serve as a catalyst for improvement.

CONCLUSION

It is clear from the nature of the shortfall problem that there are no simple solutions. Nevertheless, it should be possible to develop more accurate estimates of total outlays earlier in the budget cycle. CBO has already demonstrated considerable improvements in its estimates of outlays during the past year. The goal of having estimates of total outlays that are accurate within 1.0 percent six months before the start of the fiscal year (leaving aside major new policy decisions) appears to be reasonable. However, this degree of precision will not be possible for all individual programs. More accurate estimates of total outlays will have to rely to a great extent on the law of large numbers in which estimating errors for individual programs offset each other.

While the accuracy of outlay estimates for individual programs undoubtedly can be improved, many program estimates contain inherent uncertainties that make precise estimation very difficult. First of all, the economic assumptions upon which the outlay projections are based are subject to errors.

Second, many individual programs that previously have exhibited great volatility in spending patterns are difficult, if not impossible, to project accurately and regularly produce large variations between early estimates and actual spending. For example, early CBO 1977 estimates of farm price support programs were underestimated relative to actual spending by almost \$3 billion. This underestimate resulted from the impossibility of accurately forecasting, 18-24 months in advance, U.S. and foreign weather conditions and the corresponding effects on agricultural production and prices. Also, the complexities of the foreign military sales program and outer-continental shelf receipts have made early projections subject to misestimates of more than \$1 billion in each account.

Third, outlays for programs such as medicaid, the Comprehensive Education and Training Act, Aid to Families with Dependent Children, and the highway trust funds are heavily influenced by state and local administrative actions. Even with improved models, the number of state and local governmental entities involved makes it very difficult to project all major changes in state and local policies affecting such programs.

Finally, the ultimate level of financial transactions solely within the discretion of federal agencies often is simply unforeseeable at an early stage. For example, unpredictable administrative actions that can cause large fluctuations in outlay estimates are possible in mortgage credit and thrift insurance programs of the Farmers Home Administration, the Government National Mortgage Association, and the Federal Home Loan Bank Board.

While fluctuations in some of these highly variable individual programs will always be difficult to predict, it is expected that the procedures CBO has already developed and has underway will result in significantly improved estimates of total outlays, bringing the accuracy to within 1 percent. This level of precision, however, will probably not be possible for individual functions, subfunctions or accounts.

APPENDIXES





APPENDIX A. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES FOR MAJOR PROGRAMS

The following two tables present further details on the differences between actual outlays and Administration estimates for fiscal years 1973 to 1977. Table A-1 shows the dollar differences between actual outlays and the Administration's initial and revised estimates for 45 agency and major program categories. Table A-2 presents the same information calculated in terms of percentages (the dollar difference between actual estimated outlays as a percentage of actual outlays).

The Administration's initial estimates are those contained in the President's original budget request submitted 6 to 9 months before the start of the fiscal year. The revised estimates are those contained in the President's budget for the following year. The Office of Management and Budget also makes estimates of federal spending at various times throughout the year, but the annual budget estimates are prepared with more care and detail.

TABLE A-1. DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES FOR AGENCIES AND MAJOR PROGRAMS: BY FISCAL YEARS, IN MILLIONS OF DOLLARS

Agencies and Major Programs	1973		1974	
	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
Legislative Branch	35	13	18	-33
The Judiciary	41	-9	1	-8
Executive Office of the President (FAP)	2	-47	-23	-46
Funds Appropriated to the President				
Foreign Military Sales Trust Fund	-184	-176	-501	-331
Security Supporting Assistance	-151	82	-326	265
All Other, FAP	-63	-45	220	-1,208
Subtotal, FAP	<u>-398</u>	<u>-139</u>	<u>-607</u>	<u>-1,274</u>
Agriculture				
Farmers Home Administration	-442	284	1,372	1,145
CCC Farm Price Supports	-748	151	-1,706	95
Food Stamp Program	192	304	649	-151
All Other, Agriculture	2,021	-835	-110	-633
Subtotal, Agriculture	<u>-977</u>	<u>-96</u>	<u>205</u>	<u>456</u>
Commerce	-57	50	24	-64
Defense - Military	-2,603	-903	-575	-775
Defense - Civil	-119	-50	59	61
Health, Education and Welfare				
Social Sec. Admin. Trust Funds	2,618	-380	-110	-1,200
Public Assist. & Soc. Sec. Ins.	1,066	-2,112	-1,495	-231
All Other, HEW	-597	-1,048	1,468	-1,652
Subtotal, HEW	<u>3,087</u>	<u>-3,540</u>	<u>-87</u>	<u>-3,033</u>
Housing and Urban Development				
Federal Housing Admin. Fund	729	73	-6	-223
GNMA Special Assist. Functions	-446	393	14	190
All Other, HUD	-905	-238	4	-164
Subtotal, HUD	<u>-622</u>	<u>228</u>	<u>18</u>	<u>-197</u>

(Continued)

TABLE A-1. (Continued)

1975		1976		1977	
Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
-8	-18	-107	-127	17	-40
-26	-24	-17	-17	1	-6
-28	-16	3	-10	0	-12
-728	-599	-800	0	-959	-694
278	77	1,292	638	-376	-511
24	-97	-3,577	-2,255	-126	-631
<u>-426</u>	<u>-619</u>	<u>-3,085</u>	<u>-1,617</u>	<u>-1,461</u>	<u>-1,836</u>
-904	+390	58	-124	1,468	1,291
-357	-368	343	-427	2,980	1,980
615	927	1,771	6	691	-75
1,184	-83	962	-872	846	-878
<u>538</u>	<u>966</u>	<u>3,134</u>	<u>1,417</u>	<u>5,985</u>	<u>2,327</u>
-129	-61	231	31	445	-634
420	1,527	-2,739	-1,727	-3,810	-2,299
402	123	119	-27	105	-189
161	1,046	5,582	481	2,950	176
1,080	876	2,781	41	10,248	35
211	557	2,045	554	-5,809	-986
<u>1,452</u>	<u>2,479</u>	<u>10,408</u>	<u>1,076</u>	<u>7,389</u>	<u>-775</u>
119	296	461	30	-338	-536
2,182	1,919	273	146	-1,215	-669
-363	-244	-710	-301	-863	-1,741
<u>1,938</u>	<u>1,971</u>	<u>24</u>	<u>-125</u>	<u>-1,342</u>	<u>-1,872</u>

(Continued)

TABLE A-1. (Continued)

Agencies and Major Programs	1973		1974	
	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
Interior	-239	-225	-326	-447
Justice	55	35	60	-141
Labor				
Unemployment Insurance	-334	-843	598	499
All Other, Labor	-616	-81	253	-123
Subtotal, Labor	-950	-924	851	376
State	15	-30	81	-8
Transportation				
Federal Highway Admin.- Trust Fund	-207	-17	-95	-76
All Other, Transportation	235	158	60	-264
Subtotal, Transportation	28	141	-35	-340
Treasury				
Interest on the Public Debt	1,467	-33	3,219	219
All Other, Treasury	1,756	-257	197	-75
Subtotal, Treasury	3,223	-290	3,416	144
Atomic Energy Commission/ERDA	-29	199	-66	-20
Environmental Protection Agency	-427	-34	-97	-529
General Services Administration	358	428	-775	30
National Aeronautics and Space Admin.	120	250	117	75
Veterans Administration	253	210	1,634	96
Other Independent Agencies				
Civil Service Commission	483	181	1,102	-253
Export-Import Bank a/	(-505)	(-1,069)	(-261)	(132)
Federal Deposit Insurance Corp.	-105	-19	302	324
Federal Home Loan Bank Board	-34	-70	-49	-45
Postal Service	1	-300	325	-6
Railroad Retirement Board	351	-6	57	-10

(Continued)

TABLE A-1. (Continued)

1975		1976		1977	
Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
-204	-97	-210	-289	491	-463
-39	6	21	-39	100	-78
6,094	-1,538	1,290	74	-1,586	-584
1,512	221	1,820	-697	1,880	-1,046
<u>7,606</u>	<u>-1,317</u>	<u>3,110</u>	<u>-623</u>	<u>294</u>	<u>-1,630</u>
36	-42	112	-185	98	-81
-37	165	1,446	-159	-821	181
225	-60	499	-158	473	-441
<u>188</u>	<u>105</u>	<u>1,945</u>	<u>-317</u>	<u>-353</u>	<u>-260</u>
2,165	-235	1,063	-637	-3,100	-400
1,370	1,747	-181	-336	1,292	-3,604
<u>3,544</u>	<u>1,512</u>	<u>882</u>	<u>-973</u>	<u>-1,808</u>	<u>-4,004</u>
279	75	-56	-319	-291	-355
-1,460	-407	38	-75	-135	-944
259	384	384	-278	574	-145
-5	60	172	153	268	211
2,981	1,130	2,839	-601	840	-351
-222	-201	258	-166	-496	0
(254)	(-105)	(-901)	(-501)	-966	-559
156	122	221	130	-85	9
1,258	1,230	239	-73	-1,514	-93
324	46	230	110	808	-5
79	52	154	-36	141	77

(Continued)

TABLE A-1. (Continued)

Agencies and Major Programs	1973		1974	
	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
Other Independent Agencies				
Small Business Administration	984	4	448	3
Tennessee Valley Authority	-140	-98	21	-19
All Other, Net	-72	31	1,993	1,582
Subtotal, Others	<u>2,877</u>	<u>-277</u>	<u>3,004</u>	<u>399</u>
Allowances	1,275	-500	-1,750	-300
Undistributed Offsetting Receipts				
Employer Share, Employee Retirement	-34	53	-162	224
Interest Received by Trust Funds	261	-35	-609	-163
DCS Rents and Royalties	-2,876	219	-4,648	-748
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Budget Outlays	269	-3,270	-273	-6,268

a/ Export-Import Bank was an off-budget entity until fiscal year 1977.

(Continued)

TABLE A-1. (Continued)

1975		1976		1977	
Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
147	220	97	-65	296	199
309	-33	249	-132	51	-103
712	-80	744	-491	489	-728
<u>2,763</u>	<u>1,356</u>	<u>-1,592</u>	<u>-723</u>	<u>-1,276</u>	<u>-1,203</u>
-1,561	-700	-8,050	-200	-2,260	
-403	90	-354	-49	-80	43
-527	102	505	215	242	45
2,572	2,572	-5,338	-338	3,626	-74
<u>20,156</u>	<u>11,155</u>	<u>16,238</u>	<u>-7,925</u>	<u>7,659</u>	<u>-14,686</u>

TABLE A-2. PERCENT DIFFERENCES BETWEEN ACTUAL OUTLAYS AND ADMINISTRATION ESTIMATES FOR AGENCIES AND MAJOR PROGRAMS: BY FISCAL YEARS

Agencies and Major Programs	1973		1974	
	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
Legislative Branch	6.5	2.4	2.9	-5.3
The Judiciary	22.4	-4.9	0.5	-3.9
Executive Office of the President (FAP)	4.1	-95.9	-34.8	-69.7
Funds Appropriated to the President				
Foreign Military Sales Trust Fund	-55.1	-52.7	-101.8	-67.3
Security Supporting Assistance	-23.4	12.7	-85.3	69.4
All Other, FAP	-1.8	-1.3	6.4	-35.1
Subtotal, FAP	<u>-10.7</u>	<u>-3.7</u>	<u>-18.2</u>	<u>-38.3</u>
Agriculture				
Farmers Home Administration	-300.6	193.2	81.4	68.0
CCC Farm Price Supports	-21.0	4.3	-169.9	9.5
Food Stamp Program	7.7	12.2	22.8	-5.3
All Other, Agriculture	49.0	-20.2	-2.6	-15.0
Subtotal, Agriculture	<u>-9.7</u>	<u>-1.0</u>	<u>2.1</u>	<u>4.7</u>
Commerce	-4.2	3.7	1.6	-4.4
Defense - Military	-3.6	-1.2	-0.7	-1.0
Defense - Civil	7.0	2.9	3.5	3.6
Health, Education and Welfare				
Social Sec. Admin. Trust Fund	4.5	-0.7	-0.2	-1.8
Public Asst. & Soc. Sec. Ins.	8.8	-17.3	-10.0	-1.5
All Other, HEW	-5.3	-9.3	12.7	-14.3
Subtotal, HEW	<u>3.8</u>	<u>-4.3</u>	<u>-0.1</u>	<u>-3.2</u>
Housing and Urban Development				
Federal Housing Admin. Fund	87.6	8.8	-69.5	-25.8
GNMA Special Assist. Functions	-221.9	195.5	33.3	45.2
All Other, HUD	-30.6	-8.0	0.1	-4.2
Subtotal, HUD	<u>-17.3</u>	<u>6.3</u>	<u>0.4</u>	<u>-4.1</u>

(Continued)

TABLE A-2. (Continued)

1975		1976		1977	
Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
-1.1	-2.5	-13.8	-16.4	1.7	-4.1
-9.1	-8.5	-5.2	-5.2	0.3	-1.5
-30.1	-17.2	3.8	-12.7	-	-16.4
-82.9	-68.2	-33.3	-	-17.3	-59.9
70.2	19.4	76.4	37.8	-37.1	-50.4
.5	-2.2	-146.9	-92.6	-4.8	-23.9
<u>-10.7</u>	<u>-15.5</u>	<u>-87.5</u>	<u>-45.9</u>	<u>-58.5</u>	<u>-173.5</u>
-88.5	-38.2	9.4	-120.2	152.6	134.2
-62.1	-64.0	33.8	-42.1	78.2	52.0
13.4	20.2	31.5	0.1	12.8	-1.4
21.3	-1.5	17.4	-15.8	12.9	-13.4
<u>5.5</u>	<u>9.9</u>	<u>24.5</u>	<u>-11.1</u>	<u>35.8</u>	<u>13.9</u>
-8.1	-3.9	11.4	15.3	17.1	-24.3
.5	1.8	-3.1	-2.0	-4.0	-2.4
2.0	6.0	5.6	1.3	4.6	8.3
0.2	1.3	6.1	0.5	2.8	0.2
5.7	4.7	12.8	0.2	41.5	0.1
1.5	3.9	13.3	3.6	-35.9	-6.1
<u>1.3</u>	<u>2.2</u>	<u>8.1</u>	<u>.8</u>	<u>5.0</u>	<u>-0.5</u>
10.9	27.2	38.7	2.5	-68.7	-109.0
100.1	88.0	41.5	22.2	-118.1	-65.0
-8.6	-5.8	-13.6	-5.8	-16.3	-32.9
<u>25.9</u>	<u>26.3</u>	<u>0.3</u>	<u>-1.8</u>	<u>-23.0</u>	<u>-32.1</u>

(Continued)

TABLE A-2. (Continued)

Agencies and Major Programs	1973		1974	
	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
Interior	-14.0	-13.2	-18.3	-25.1
Justice	3.6	2.3	3.3	7.8
Labor				
Unemployment Insurance	-10.6	-11.6	9.9	8.2
All Other, Labor	-18.8	-2.5	8.7	-4.2
Subtotal, Labor	<u>-11.0</u>	<u>-10.7</u>	<u>9.5</u>	<u>4.2</u>
State	2.5	-5.1	11.0	-1.1
Transportation				
Federal Highway Admin. Trust Fund	-4.3	-0.4	-2.1	1.7
All Other, Transportation	6.9	4.6	1.7	-7.4
Subtotal, Transportation	<u>3.4</u>	<u>1.7</u>	<u>-0.4</u>	<u>-4.2</u>
Treasury				
Interest on the Public Debt	6.1	-0.1	11.0	0.7
All Other, Treasury	25.9	-3.8	3.0	-1.1
Subtotal, Treasury	<u>10.4</u>	<u>-0.9</u>	<u>9.5</u>	<u>0.4</u>
Atomic Energy Commission/ERDA	-1.2	8.3	-2.9	-9
Environmental Protection Agency	-38.3	-3.1	-4.8	-26.1
General Services Administration	76.5	91.5	-280.8	10.9
National Aeronautics and Space Admin.	3.6	7.6	3.6	2.3
Veterans Administration	2.1	1.8	12.3	72.0
Other Independent Agencies				
Civil Service Commission	10.5	3.9	19.4	-4.4
Export-Import Bank <u>a/</u>	(-92.2)	(-195.1)	(-20.7)	(10.7)
Federal Deposit Insurance Corp.	-19.5	-3.5	129.1	138.5
Federal Home Loan Bank Board	-13.7	-28.1	-13.2	-12.2
Postal Service	0.1	-21.3	19.1	-0.4
Railroad Retirement Board	24.9	-0.4	3.4	-0.6

(Continued)

TABLE A-2. (Continued)

1975		1976		1977	
Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
-9.5	-4.5	-9.2	-12.6	15.9	-15.0
-1.9	0.3	0.9	-1.7	4.3	-3.3
46.3	-11.7	6.6	0.4	-10.4	-3.8
33.7	4.9	29.0	-11.1	26.5	-14.8
43.1	-7.5	12.1	-2.4	1.3	-7.3
4.3	-5.1	10.5	-17.4	8.7	-7.2
0.8	3.5	22.7	-2.5	-13.6	3.0
5.0	-1.3	9.0	-2.8	7.3	-6.8
2.0	1.1	16.3	-2.7	-2.8	-2.1
6.6	-0.7	2.9	-1.7	-7.4	-1.0
16.1	20.5	-2.5	-4.6	16.9	-57.9
8.6	3.7	2.0	-2.2	-3.5	-9.8
8.8	2.4	-1.5	-8.5	-5.8	-7.1
-57.7	-16.1	1.2	-2.4	-3.1	-21.6
41.5	61.5	417.4	-3.0	1,851.6	-467.7
-0.2	1.8	4.7	4.2	6.8	5.3
18.0	6.8	15.4	-3.3	4.7	-19.5
-3.2	-2.9	3.1	-2.0	-5.2	-
(16.9)	(-7.0)	(105.3)	(-58.5)	-284.1	-164.4
38.2	29.9	46.2	27.2	-10.0	1.1
136.1	133.1	302.5	-92.4	-80.0	-4.9
17.3	2.5	13.4	6.4	35.6	-0.2
2.6	1.7	4.4	-1.0	3.7	2.0

(Continued)

TABLE A-2. (Continued)

Agencies and Major Programs	1973		1974	
	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
Other Independent Agencies				
Small Business Administration	74.5	0.3	59.5	0.4
Tennessee Valley Authority	-38.1	-26.7	5.2	-4.7
All Other, Net	-3.4	1.4	46.1	36.6
Subtotal, Others	<u>26.1</u>	<u>-2.4</u>	<u>21.9</u>	<u>2.9</u>
Undistributed Offsetting Receipts				
Employer Share, Employee Retirement	-1.2	1.8	-4.9	6.7
Interest Received by Trust Funds	4.8	-6	-9.3	-2.5
OCS Rents and Royalties	-72.7	5.5	-68.9	-11.1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Budget Outlays	0.1	-1.3	-0.1	-2.3

a/ Export-Import Bank was an off-budget entity until fiscal year 1977.

(Continued)

TABLE A-2. (Continued)

1975		1976		1977	
Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate	Initial Estimate	Revised Estimate
23.8	35.6	22.2	-14.9	42.3	28.4
40.3	-4.3	25.4	-13.5	4.6	-9.4
<u>21.0</u>	<u>-2.4</u>	<u>3.7</u>	<u>-12.5</u>	<u>10.1</u>	<u>-14.9</u>
<u>16.0</u>	<u>7.8</u>	<u>12.8</u>	<u>0.7</u>	<u>-6.4</u>	<u>-6.0</u>
-10.1	2.3	-8.4	-1.2	-1.8	7.0
-6.9	1.3	6.5	2.8	3.0	5.5
105.9	105.9	-200.5	-12.7	152.7	-3.1
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
6.2	3.5	4.4	-2.2	1.9	-3.7

Between January and August 1977, CBO made a number of scorekeeping reestimates of 1977 outlays based on revised agency spending plans and actual monthly outlay trends reported by the Treasury Department. During this period, CBO adjusted downward its scorekeeping estimates of outlays by a total of \$13.2 billion. Table B-1 provides a summary of the CBO outlay reestimates that were made in its scorekeeping tabulations by function and major programs. The largest downward adjustments were made in national defense programs (-\$4.1 billion); natural resources, environment, and energy (-\$2.5 billion); commerce and transportation (-\$2.3 billion); interest (-\$1.6 billion); and veterans' benefits and services (-\$1.5 billion).

The bulk of the downward adjustments--\$10.1 billion was made in the May and August CBO scorekeeping reports, as actual spending patterns became evident in the monthly Treasury data. Table B-2 summarizes the changes in the CBO scorekeeping tabulations used by the Budget Committees to advise the Parliamentarians on the current level of budget outlays. The downward reestimates of outlays more than offset the added spending approved by the Congress in the economic stimulus and general supplemental appropriation bills.

As shown in Table B-2, the February, March, and May CBO estimates of outlays were all within \$5 to 6 billion of the actual level reported for fiscal year in and the August estimate was only \$0.7 billion higher. This is in marked contrast to the CBO scorekeeping estimates of outlays for fiscal year 1976, which were considerably higher throughout the year than the actual level. For example, the final CBO outlay estimate for 1976 was \$7.7 billion higher than the actual result.

TABLE B-1. CBO REESTIMATES OF OUTLAYS FOR FISCAL YEAR 1977 BY FUNCTION AND MAJOR PROGRAM:
IN MILLIONS OF DOLLARS

Function and Major Program	CBO Scorekeeping Reports					Total Reestimates
	CBO No. 4 Jan. 10	CBO No. 5 Feb. 10	CBO No. 6 Mar. 18	CBO No. 7 May 20	CBO No. 8 Aug. 5	
050 - National Defense						
DOD - Military	49	-1,129	--	-300	-1,117	-2,497
FMS trust fund	-265	--	--	-735	-400	-1,400
All other	--	-24	--	--	-168	-192
Subtotal	<u>-216</u>	<u>-1,153</u>	<u>--</u>	<u>-1,035</u>	<u>-1,685</u>	<u>-4,089</u>
150 - International Affairs						
Export-Import Bank	--	-240	--	-258	-141	-639
Security supporting assist.	--	--	--	--	-374	-374
All other	--	27	--	-10	-237	-220
Subtotal	<u>--</u>	<u>-213</u>	<u>--</u>	<u>-268</u>	<u>-752</u>	<u>-1,233</u>
250 - General Science, Space and Technology	--	-99	--	87	-4	-16
300 - Natural Resources, Environment & Energy						
EPA construction grants	--	14	--	--	-665	-651
ERDA	--	16	--	-300	-395	-679
Corps of Engineers	15	--	--	-102	-211	-298
Strategic petroleum res.	-110	-312	--	-70	-82	-574
All other	206	310	--	-409	-405	-298
Subtotal	<u>111</u>	<u>28</u>	<u>--</u>	<u>-881</u>	<u>-1,758</u>	<u>-2,500</u>
350 - Agriculture						
CCC price supports	336	329	--	1,263	183	2,111
All other	102	23	--	--	225	350
Subtotal	<u>438</u>	<u>352</u>	<u>--</u>	<u>1,263</u>	<u>408</u>	<u>2,461</u>

(Continued)

TABLE B-1. (Continued)

Function and Major Program	CBO Scorekeeping Reports					Total Reestimates
	CBO No. 4 Jan. 10	CBO No. 5 Feb. 10	CBO No. 6 Mar. 18	CBO No. 7 May 20	CBO No. 8 Aug. 5	
400 - Commerce and Transportation:						
GNMA	-736	190	--	-502	--	-1,048
FHLBB	--	-911	-379	--	--	-1,290
FHA fund	--	-25	--	--	-130	-155
Rural housing ins. fund	--	--	--	--	565	565
Federal-aid highways	-272	-103	--	--	--	-375
All other	217	118	--	-97	-244	-6
Subtotal	<u>-791</u>	<u>-731</u>	<u>-379</u>	<u>-599</u>	<u>191</u>	<u>-2,309</u>
450 - Community and Regional Development:						
CD block grants	--	--	-137	-94	-238	-469
Urban renewal	--	-163	--	--	-75	-238
Local public works	--	--	--	-80	-41	-121
Countercyclical revenue sharing	--	--	--	--	-150	-150
All other	-15	150	--	-67	-297	-229
Subtotal	<u>-15</u>	<u>-13</u>	<u>-137</u>	<u>-241</u>	<u>-801</u>	<u>-1,207</u>
500 - Education, Training, Employment & Soc. Ser.:						
HEW education programs	--	461	--	-550	-163	-252
Temporary employ. assist.	-220	-9	--	-304	--	-533
Employ. & training assist.	--	48	--	-271	-67	-290
Social services	--	-4	--	-161	-157	-322
All other	-94	142	--	106	-109	45
Subtotal	<u>-314</u>	<u>638</u>	<u>--</u>	<u>-1,180</u>	<u>-496</u>	<u>-1,352</u>

(Continued)

TABLE B-1. (Continued)

Function and Major Program	CBO Scorekeeping Reports					Total Reestimates
	CBO No. 4 Jan. 10	CBO No. 5 Feb. 10	CBO No. 6 Mar. 18	CBO No. 7 May 20	CBO No. 8 Aug. 5	
550 - Health						
Medicare	83	-6	--	-183	--	-106
Medicaid	179	-109	--	-329	--	-259
All other	--	228	--	--	139	367
Subtotal	<u>262</u>	<u>113</u>	<u>--</u>	<u>-512</u>	<u>139</u>	<u>2</u>
600 - Income Security						
OASDI	-844	330	--	1,272	-243	515
Unemployment comp.	2,063	328	--	-2,552	-377	-538
SSI	-162	-241	--	--	-70	-473
AFDC	--	-92	--	-255	235	-112
CS retirement fund	-193	--	--	9	--	-184
All other	-6	-202	25	76	69	-38
Subtotal	<u>858</u>	<u>123</u>	<u>25</u>	<u>-1,450</u>	<u>-386</u>	<u>-830</u>
700 - Veterans' Benefits and Services						
Readjustment benefits	-717	-456	--	--	-303	-1,476
Comp. & pensions	--	-94	--	--	--	-94
All other	--	-28	--	62	54	88
Subtotal	<u>-717</u>	<u>-578</u>	<u>--</u>	<u>62</u>	<u>-249</u>	<u>-1,482</u>
750 - Law Enforcement and Justice						
	--	77	--	--	-47	30
800 - General Government						
GSA fed. bldg. fund	--	--	--	-29	-212	-241
All other	-61	-12	--	--	22	-51
Subtotal	<u>-61</u>	<u>-12</u>	<u>--</u>	<u>-29</u>	<u>-190</u>	<u>-292</u>

(Continued)

TABLE B-1. (Continued)

Function and Major Program	CBO Scorekeeping Reports					Total Reestimates
	CBO No. 4 Jan. 10	CBO No. 5 Feb. 10	CBO No. 6 Mar. 18	CBO No. 7 May 30	CBO No. 8 Aug. 5	
850 - Revenue Sharing & General Purpose Fiscal Assistance	-15	60	--	--	37	82
900 - Interest						
Interest on public debt	-1,900	-100	--	700	--	-1,300
All other	-116	-185	--	--	-29	-330
Subtotal	<u>-2,016</u>	<u>-285</u>	<u>--</u>	<u>700</u>	<u>-29</u>	<u>-1,630</u>
920 - Allowances	--	-145	--	--	--	-145
950 - Undistributed						
Offsetting Receipts						
OCS rents and royalties	400	--	1,000	--	-600	800
Interest rec'd. by trust funds	500	--	--	--	400	900
Employer share, employee retirement	--	-217	--	--	93	-124
Subtotal	<u>900</u>	<u>-217</u>	<u>1,000</u>	<u>--</u>	<u>-107</u>	<u>1,576</u>
Total	-1,575	-2,055	509	-4,342	-5,729	-13,192

TABLE B-2. SUMMARY OF CHANGES TO CURRENT LEVEL OF OUTLAYS FOR FISCAL YEAR 1977 IN THE CBO PARLIAMENTARIAN STATUS REPORTS: IN BILLIONS OF DOLLARS

CBO Score-keeping No.	Report Date	Current Level of Outlays	Change from Previous Report	
			Congressional Action	Budget Reestimates
4	January 10, 1977	409.1	--	-1.6
5	February 10, 1977	407.1	a/	-2.1
6	March 18, 1977	407.8	0.2	0.5
7	March 20, 1977	408.2	4.8	-4.3
8	August 5, 1977	<u>402.6</u>	<u>0.2</u>	<u>-5.8</u>
Total Changes		--	<u>5.1</u>	<u>-13.2</u>
Actual Outlays		409.1		

Note: Detail may not add because of rounding.

a/ Less than \$50 million.