

## SECTION 71—REPORTING BY BUDGET ACCOUNT

## Table of Contents

71.1	At what level of detail do I report MAX data, proposed appropriations language, and narratives?
71.2	How do budget accounts relate to Treasury accounts?
71.3	What do I need to know about changing account and budget structure?
71.4	How do I account for reimbursements?
71.5	How do I account for allocations?
71.6	When should I merge accounts?
71.7	When should I consolidate accounts?
71.8	What do I need to know about accounting adjustments under 31 U.S.C. 1534?

**71.1 At what level of detail do I report MAX data, proposed appropriations language, and narratives?**

A budget account generally covers an organized set of activities, programs, or services directed toward a common purpose or goal. Budget accounts are the basic building block of the President's Budget. You report data at the budget account level in the MAX A-11 system. Budget information is presented at the budget account level in the *Budget Appendix* and is aggregated to provide the totals in many tables in all volumes of the President's budget. In addition, budget accounts are the basis for congressional action on the budget. Section [79](#) contains more information about account structure and types of accounts. Receipt accounts are also included in the budget database and used to derive budget totals. Receipt data are printed in the *Budget Appendix* and reflected in printed budget summary tables.

You must update all the data in the MAX budget system and provide print materials for each budget account. Section [79.5](#) lists and describes the various MAX budget schedules, and section [95.4](#) lists the materials that will be printed in the detailed budget estimates by agency portion of the *Budget Appendix*.

**71.2 How do budget accounts relate to Treasury accounts?**

When Congress provides budget authority for a particular purpose or under a particular title, it also provides a specific period for which the budget authority is available for obligation. This period of availability may be annual, multi-year, or no-year. Treasury establishes appropriations and fund accounts based on the availability of the resources in the account. Treasury establishes separate accounts for each annual, multi-year, or no-year amount appropriated.

For presentation of information in the budget, appropriations and other types of budget authority provided to an account with the same or similar titles for the years covered by the budget are considered to be a single account under a single title. In addition, two or more Treasury accounts may be merged or consolidated for budget presentation purposes into a single budget account (see sections [71.7](#) and [71.8](#)). Note that this differs from budget execution requirements, where you must report data for each separate appropriation or fund account established by Treasury (see sections [79.2](#) and [130](#)).

**71.3 What do I need to know about changing account and budget structure?**

You must obtain approval from OMB if you want to propose changes in account or organizational structure. These changes include the following:

- Establishment of new accounts (see section [79.3](#));
- Changes in account titles;
- Account mergers (see section [71.7](#));
- Account consolidations (see section [71.8](#));
- Changes in the presentation sequence of existing accounts (see section [95.3](#));
- New methods of financing programs;
- Changes in the activity structure used for the program and financing schedule (see section [82.2](#));
- Changes in functional, subfunctional, and receipt classifications (see section [79.3](#)); and
- Reorganizations.

Until requests are approved, base budget materials on the existing structure. If changes are approved, you must revise budget schedules and other materials accordingly. After requests for account mergers or consolidations are approved, you must ensure that they are reflected correctly on the Budget Account Title (BAT) file (see section [79.1](#)).

You should request approval for changes in budget structure by October 1, unless OMB specifies an earlier due date. If a change is dependent on pending decisions or results from late congressional action or other circumstances beyond your control, submit the request as soon as possible after October 1. If prospective internal reorganizations are likely to require budget structure changes, obtain OMB approval prior to implementing the reorganization.

#### **71.4 How do I account for reimbursements?**

Include advances or reimbursements lawfully credited to expenditure accounts (including advances received under the authority of the Economy Act ([31 U.S.C. 1535](#) and 1536)) as spending authority from offsetting collections in the budget schedules of the receiving account. If the payments are from other government accounts, the paying account will include obligations in the amount of the payment in its schedules.

#### **71.5 How do I account for allocations?**

Allocations are the amounts of budget authority and other resources transferred to other agencies or bureaus to carry out the purposes of the parent account that are placed in separate Treasury transfer appropriation accounts (see section [20.4\(a\)](#)). For the purposes of budget presentation, the budget schedules of the parent account will reflect these transactions as part of that account's regular activities. However, FTEs funded by allocations will be reported in the receiving account, not the parent account. Object class schedules and personnel summaries will identify allocations separately (see section [86.1](#) and exhibit [83A](#)).

#### **71.6 When should I merge accounts?**

Sometimes, amounts from several accounts may be merged into a single account for budget presentation purposes:

- When two or more appropriation accounts are replaced by a single appropriation, amounts in the old accounts will be merged into the schedules for the single account.
- When it is desirable to merge several appropriations into a single account and to request budget year appropriations on that basis. The objective of account mergers is to permit flexibility in achieving program goals by managing and budgeting at a higher level of aggregation. However,

this objective must be balanced against other needs, including the need for public disclosure and review and control by the President and Congress.

- Revolving fund feeder accounts, which are appropriation accounts whose budgetary resources are available only for transfer to specified revolving fund accounts, will be merged into the revolving funds to which they relate. Do not separately identify the amounts included in the feeder accounts.

#### **71.7 When should I consolidate accounts?**

You should consider consolidating accounts and submitting a single set of schedules for two or more accounts of a bureau (or an agency, when appropriations are not made by bureaus) for:

- Federal fund accounts for which no budget authority is anticipated after the past year;
- Permanent general and special fund appropriations that are used for similar purposes or where accounts contain small sums that have no direct bearing on programs financed by current appropriations; and
- Small trust fund accounts.

You should also consolidate below threshold accounts (that is, accounts with amounts of \$500,000 or less) with larger accounts. For this purpose, below threshold trust fund accounts may be consolidated with general fund accounts.

#### **71.8 What do I need to know about accounting adjustments under 31 U.S.C. 1534?**

When an appropriation is available to an agency to pay a cost that benefits another appropriation that is also available to pay the cost, [31 U.S.C. 1534](#) permits the first appropriation to be charged initially, as long as the charge is moved to the appropriation benefited before the end of the fiscal year. Do not report the initial charge and succeeding adjustment.

