

VOLUME 3, CHAPTER 14: “RECEIPT AND DISTRIBUTION OF BUDGETARY RESOURCES—INTERMEDIATE LEVEL”

SUMMARY OF MAJOR CHANGES

All changes are denoted by **blue font**.

Substantive revisions are denoted by an * symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by **bold, italic, blue and underlined font**.

The previous version dated September 2008 is archived.

PURPOSE	EXPLANATION OF CHANGE/REVISION	PURPOSE
140104	Updated reference from United States Standard General Ledger (USSGL) Treasury Financial Manual (TFM) to USSGL Standard Financial Information Structure (SFIS) Transaction Library. Deleted “except for budgetary entries that apply to accounts 4540 through 4580” because the USSGL SFIS Transaction Library includes accounting entries for these accounts. Updated Volume 1, Chapter 7, Appendix B hyperlink to Volume 1, Chapter 7, Figure 7-3.	Update
140201.A 140202.B	Updated Volume 14, Appendix A hyperlink to Volume 14, Chapter 1.	Update

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CHAPTER 14

**RECEIPT AND DISTRIBUTION OF BUDGETARY RESOURCES
AT THE INTERMEDIATE LEVEL**

1401 GENERAL

140101. Purpose

The purpose of this chapter is to prescribe the standards for recording receipt and subsequent distribution of budgetary resources in the intermediate-level budgetary accounts, which are applicable to operating agencies or other intermediate-level accounting entities.

140102. Applicability and Scope

Only those DoD Components that are structured organizationally into three (or more) levels are required to use the intermediate-level accounts covered by this chapter.

140103. Overview

The intermediate-level budgetary accounts are used to record the receipt of allocations or suballocations from higher authority, and the subsequent issuance of allotments to **execution-**level activities.

*140104. Accounts

The accounts established for use at the intermediate level implement the United States Standard General Ledger (*USSGL*) as prescribed in Volume 1, Chapter 7. Budgetary accounting entries for the USSGL accounts are specified in the [*USSGL Standard Financial Information Structure \(SFIS\) Transaction Library*](#). Definitions for these accounts are in Volume 1, Chapter 7, Figure 7-3 and intermediate accounting entries are prescribed in this chapter. For Non-Department of Defense reporting, accounts 4540 through 4580 must be reported with account 4510, *Apportionments*.

1402 STANDARDS

140201. Allocations

An authorization by a designated official of a DoD Component making funds available within a prescribed amount to an operating Agency for the purpose of making allotments and incurring obligations.

* A. An allocation or suballocation must be made in writing and contain an original grantor signature or the electronic equivalent. However, Volume 14, Chapter 1, subparagraph 010206.B.1.a permits the use of an automated system to communicate and record

such fund subdivisions as long as a confirmation copy is provided to the recipient within a reasonable time, usually one month.

B. Allocations, suballocations, or their parts, that are not required to be further subdivided may be treated and recorded as allotments.

C. Accounting Entries

1. Record allocations received from department levels to intermediate levels as follows:

Budgetary Entry

Dr 4550 Internal Fund Distributions Received
Cr 4560 Funds Available for Allotment

Proprietary Entry

Dr 1010 Fund Balance With Treasury
Cr 3101 Unexpended Appropriations – Appropriations Received

2. Record the receipt of reimbursable authority from department levels to intermediate levels as follows:

Budgetary Entry

Dr 4210 Anticipated Reimbursements and Other Income
Cr 4590 Apportionments – Anticipated Resources

Proprietary Entry

None

140202. Allotments

A. An allotment is a formal distribution of an allocation or suballocation and must contain at least the same legal and other limitations applicable to the allocation or suballocation.

* B. Since, an oral allotment generally has no validity, allotments must be in writing. However, see Volume 14, Chapter 1, subparagraph 010206.C.4 for use of expedited means of communication in emergencies. No form is prescribed; it may be designated to meet the needs of the allotter.

C. Accounting Entries

1. Record the allotment of obligational authority from the intermediate levels to the execution levels as follows:

Budgetary Entry

Dr 4560 Funds Available for Allotment
 Cr 4570 Allotments Issued

Proprietary Entry

Dr 3101 Unexpended Appropriations – Appropriations Received
 Cr 1010 Fund Balance With Treasury

2. Record the issuance of reimbursable authority from intermediate levels to execution levels as follows:

Budgetary Entry

Dr 4590 Apportionments – Anticipated Resources
 Cr 4210 Anticipated Reimbursements and Other Income

Proprietary Entry

None

1403 ACCOUNT CLOSING PROCEDURES

140301. Notification to Departmental Level

The departmental-level accounting entity must be informed by the intermediate levels of unallotted allocations of direct program authority to the installation level (account 4560, *Funds Available for Allotment*).

140302. Closing Procedures

After preparation of the prescribed budget execution reports, the following entries must be made, at the expiration of the period of availability for obligation, to close expended amounts to the authorizing account for the expenditures and to withdraw any remaining program authority.

A. The entries to close unissued allocations (unallotted and withheld) remaining at the intermediate level are as follows:

Budgetary Entry

Dr 4560 Funds Available for Allotment
 Cr 4550 Internal Fund Distributions Received

Proprietary Entry

Dr 3101 Unexpended Appropriation – Appropriations Received
 Cr 1010 Fund Balance With Treasury

B. The entries to close allotments made to the installation level are as follows:

Budgetary Entry

Dr 4570 Allotments Issued

Cr 4550 Internal Fund Distributions Received

Proprietary Entry

Dr 1010 Fund Balance With Treasury

Cr 3101 Unexpended Appropriation – Appropriations Received