

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 asterisk (*) 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 June 2009 is archived.

PARAGRAPH	EXPLANATION OF CHANGE/REVISION	PURPOSE
1401	Revised the <i>General</i> section. Incorporated the previous <i>Overview</i> and <i>Applicability and Scope</i> paragraphs into paragraph 140101, <i>Purpose</i> ; added paragraph 140102, <i>Authoritative Guidance</i> ; and moved the previous <i>Accounts</i> paragraph to section 1402, <i>Standards</i> .	Revision
140202	Renamed paragraph 140202 to <i>Internal Fund Distributions</i> and corrected the terminology used to describe distributions in this paragraph and throughout the chapter in accordance with the Office of Management and Budget Circular A-11.	Revision
140302	Added closing entries for balances issued at the intermediate level as subparagraphs 140302.C – D.	Addition
All	Revised the account entries to the United States Standard General Ledger basic six-digit format.	Revision
All	Verified and corrected, where applicable, all references and hyperlinks.	Revision

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CHAPTER 14

RECEIPT AND DISTRIBUTION OF BUDGETARY RESOURCES
INTERMEDIATE-LEVEL

*1401 GENERAL

140101. Purpose

This chapter prescribes the standards for recording the 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. The intermediate-level budgetary accounts are used to record the receipt of [fund distributions \(allotments, suballotments, or allocations\)](#) issued from higher authority, and the subsequent issuance to execution-level activities. Only those [Department of Defense \(DoD\) Components with a funding structure that includes](#) three (or more) levels are required to use the intermediate-level accounts covered by this chapter. For example, the Military Departments are structured into three or more levels but Other Defense Organizations receive Defense-wide appropriations directly from the Office of the Under Secretary of Defense (Comptroller) which represents a two-tiered funding structure (departmental-level to execution-level). See Chapter 13 for departmental-level and Chapter 15 for execution-level requirements.

140102. Authoritative Guidance

The Office of Management and Budget ([OMB Circular A-11](#)) provides an overview of the budget process and specific requirements for preparation and submission of the budget. The U.S. Department of the Treasury (Treasury) is responsible for Government-wide reporting and issues requirements in the [Treasury Financial Manual](#). Volume 14, Chapter 1 prescribes the requirements for the administrative control of funds in accordance with OMB Circular A-11, Appendix H, and identifies additional authorities in paragraph 010103.

1402 STANDARDS

140201. Accounts

The accounts established for use at the intermediate level implement the [DoD United States Standard General Ledger \(USSGL\)](#) and the [DoD Standard Chart of Accounts](#) prescribed in Volume 1, Chapter 7. Both the budgetary and proprietary accounting entries for the DoD USSGL accounts are specified in [DoD USSGL Transaction Library](#) that can be accessed on the [Standard Financial Information Structure](#) resources web page.

*140202. Internal Fund Distributions

A. Budgetary authority is formally distributed by allotment, suballotment, allocation, and suballocation. The OMB Circular A-11, Appendix H, defines these terms and a specific subdivision hierarchy (see Volume 14, Chapter 1). The intermediate-level budgetary accounts are used to record the receipt of funds issued from higher authority, and the subsequent issuance to execution-level activities.

B. Any formal subdivision of funds must contain at least the same statutory and other limitations applicable to the original apportionment.

C. Accounting Entries

1. To record direct budgetary authority received from the departmental level by an intermediate-level activity (available for allotment/suballotment to execution-level activities or to other intermediate-level activities):

Budgetary Entry

Dr 455000 Internal Fund Distributions Received
Cr 456000 Funds Available for Allotment

Proprietary Entry

Dr 101000 Fund Balance With Treasury
Cr 310100 Unexpended Appropriations – Appropriations Received

2. To record the receipt of reimbursable authority from the departmental-level to an intermediate-level activity:

Budgetary Entry

Dr 421000 Anticipated Reimbursements and Other Income
Cr 459000 Apportionments – Anticipated Resources

Proprietary Entry

None

3. To record direct budgetary authority allotted/suballotted by an intermediate-level activity to an execution-level activity or between two or more intermediate-level activities:

Budgetary Entry

Dr 456000 Funds Available for Allotment
Cr 457000 Allotments Issued

Proprietary Entry

Dr 310100 Unexpended Appropriations – Appropriations Received
Cr 101000 Fund Balance With Treasury

4. To record the issuance of reimbursable authority from intermediate level to execution level:

Budgetary Entry

Dr 459000 Apportionments – Anticipated Resources

Cr 421000 Anticipated Reimbursements and Other Income

Proprietary Entry

None

1403 NOTIFICATION AND ACCOUNT CLOSING

140301. Notification to Departmental-Level

The [intermediate-level accounting activity must notify the](#) departmental-level accounting entity of direct program authority [that is not distributed](#) to the [execution](#) level (account 456000, *Funds Available for Allotment*).

*140302. [Account Closing](#)

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. To close [internal fund distributions issued to](#) the intermediate level [that remained undistributed \(withheld\) upon expiration of the period of availability](#):

Budgetary Entry

Dr 456000 Funds Available for Allotment

Cr 455000 Internal Fund Distributions Received

Proprietary Entry

Dr 310100 Unexpended Appropriation – Appropriations Received

Cr 101000 Fund Balance With Treasury

B. To close [obligational authority within the intermediate level upon expiration of the period of availability where distributions were issued to the execution level](#):

Budgetary Entry

Dr 457000 Allotments Issued

Cr 455000 Internal Fund Distributions Received

Proprietary Entry

Dr 101000 Fund Balance With Treasury

Cr 310100 Unexpended Appropriation – Appropriations Received

C. To close direct budget authority issued through allotment or suballotment upon expiration of the period of availability:

Budgetary Entry

Dr 457000 Allotments Issued

Cr 420100 Actual Total Resources – Collected

Proprietary Entry

None

D. To close internal fund distributions received at the intermediate-level upon expiration of the period of availability:

Budgetary Entry

Dr 420100 Actual Total Resources – Collected

Cr 455000 Internal Funds Distribution Received

Proprietary Entry

None