

**VOLUME 6A, CHAPTER 3: “MONTHLY REPORTING OF OUTLAYS AND RECEIPTS”**

**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 [May 2011](#) is archived.

<b>PARAGRAPH</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
All	Reworded and reformatted chapter for clarity. Revised references and added electronic links.	Revision
All	On October 7, 2012, the Financial Management Service (FMS) and the Bureau of the Public Debt were consolidated into the new Bureau of the Fiscal Service. All Treasury FMS references were updated with the new title.	Revision
030202	Effective March 21, 2015, the Central Accounting Reporting System became the system of record for the Fiscal Service. All Governmentwide Accounting references were updated to reflect the new title.	Revision
030204.C	Updated the list of transaction types reported as gross disbursements. Explained applicability and added electronic link.	Revision
030205.A	Added clarifying language to identify the purposes and uses of borrowing authority.	Addition
030208	Updated the chapter with additional requirements for reporting and reconciling monthly transactions affecting an entity’s Fund Balance with Treasury.	Addition

Table of Contents

VOLUME 6A, CHAPTER 3: “MONTHLY REPORTING OF OUTLAYS AND RECEIPTS” . 1

0301 GENERAL ..... 3

    030101. Purpose ..... 3

    030102. Authoritative Guidance ..... 3

0302 STATEMENT OF TRANSACTIONS..... 3

    030201. General ..... 3

    \*030202. Central Accounting Reporting System (CARS)..... 3

    030203. Fiscal Service Disbursing Support ..... 4

    \*030204. Report Preparation..... 4

    \*030205. Special Reporting ..... 5

    030206. Submission Method..... 6

    030207. Distribution..... 7

    \*030208. Reconciliation of Monthly Information ..... 7

    030209. Supplemental Reporting ..... 7

    030210. Reporting for Accounting Periods When No Transactions Occur ..... 7

## CHAPTER 3

**MONTHLY REPORTING OF OUTLAYS AND RECEIPTS**

## 0301 GENERAL

## 030101. Purpose

This chapter prescribes guidance for the monthly reporting of outlays and receipts to the Department of the Treasury ([Treasury](#)). The policies [included in this chapter](#) apply to Department of Defense (DoD) reporting entities [authorized to prepare and submit consolidated monthly reports of outlays and receipts to the Treasury, Bureau of the Fiscal Service \(Fiscal Service\)](#).

030102. [Authoritative Guidance](#)

The Treasury Financial Manual (TFM), Volume I, Part 2, Chapters 3100 and 3300 (TFM [2-3100](#) and [TFM 2-3300](#), respectively), requires a monthly detailed reporting of disbursements and collections (outlays/receipts). TFM 2-3100 has the reporting instructions for entities that perform their own disbursing while TFM 2-3300 has the reporting instructions for entities that receive disbursing support from the Treasury.

## 0302 STATEMENT OF TRANSACTIONS

## 030201. General

Entities responsible for their own disbursing [will](#) report DoD outlays and receipts using a [Fiscal Service](#)-prescribed format, Financial Management Service (FMS) Form 1220, “Statement of Transactions According to Appropriations, Funds, and Receipt Accounts” (SOT), in support of the Statement of Accountability (SOA). The SOT is a companion report to the FMS Form 1219, “Statement of Accountability,” and represents the detailed support behind the summarized “net disbursements” reported by the disbursing officer in the SOA. TFM 2-3100 and Volume 5, Chapter 15 [contain](#) SOA reporting preparation and submission requirements.

\*030202. [Central Accounting Reporting System \(CARS\)](#)

Effective March 21, 2015, [CARS](#) became the system of record for Fiscal Service. [CARS](#) captures and records Treasury Account Symbol (TAS) information for payments, deposits, and intragovernmental transactions and provides agencies a daily status of their Fund Balance with Treasury. All agencies must use [CARS](#) applications and submit the [CARS TAS/Business Event Type Code \(BETC\)](#) reporting classification for each payment, deposit, and intragovernmental transaction.

A. “[CARS Daily Reporters](#)” submit the [TAS/BETC](#) reporting classification of each payment or collection to [CARS](#) via the [Payment Information Repository](#) or [Collection Information Repository](#), respectively.

B. Agencies, which are not “CARS Daily Reporters,” must report disbursements and collections through monthly reporting on “Statements of Transactions” (Standard Form (SF) 224, FMS 1220, or SF 1221) and “Statements of Accountability” (SF 1218 or FMS 1219) in accordance with TFM Volume I, Part 4A, Chapter 4000, Section 4030.

030203. Fiscal Service Disbursing Support

Entities that receive disbursing support from Fiscal Service (with regard to the operations of designated Defense Agencies) must report using Fiscal Service Form 224, “Statement of Transactions” (Classified According to Appropriation, Fund and Receipt Account; and Related Control Totals). TFM 2-3300 contains instructions for reporting using the Fiscal Service Form 224.

\*030204. Report Preparation

The FMS 1220 SOT must show a detailed account classification of the disbursements and collections processed in disbursing officers’ accounts for the current accounting period, as referenced in TFM 2-3100, Appendix No. 4. Column titles for the SOT and required content are as follows:

A. Appropriation, Fund, or Receipt Account. The established symbol of the appropriation, fund, or receipt account must be shown for the transactions being reported. In certain cases, special reporting of transactions below the level of appropriation or fund account is required. Assign separate subclass identification codes to the agencies as a parenthetical prefix to the account. When classifying transactions below the account level, segregate by type of transaction using the appropriate subclass codes referenced in TFM 2-3100, Appendix No. 5 and paragraph 030205.

B. Receipts and Collections Credited to Appropriation or Fund Accounts. Report receipts and collections for the following types of transactions in accordance with TFM 2-3100, Appendix No. 4:

1. Available receipts;
2. Unavailable receipts;
3. “F” receipt clearing accounts;
4. Collections credited to appropriation or fund accounts;
5. Borrowing from the public (issuing agency);
6. Sale of Federal securities (by investing agency); and
7. Loan repayments.

\* C. Gross Disbursements. Report gross charges to appropriation and fund accounts for the following types of transactions in accordance with TFM 2-3100, Appendix No. 4:

1. “F” clearing accounts;
2. Current fiscal year collections credited to an appropriation or fund account. The following types of current fiscal year transactions are the only exceptions in which collections should be netted against gross disbursements:
  - a. Refunds of payments made in the current fiscal year;
  - b. Canceled or returned checks originally issued in the current fiscal year; and
  - c. Other corrections of errors made in the current fiscal year;
3. Investments in Federal securities;
4. Redemption of Federal securities (by issuing agency);
5. Loan disbursements;
6. Automated clearing house payments functioned by a debit voucher; and
7. Cash and investments held outside of Treasury. (This applies to Subclass 41 transactions as defined by TFM Volume I, Part 2, Chapter 3400 (TFM 2-3400)).

\*030205. Special Reporting

\* A. Borrowing Authority. Borrowing authority is statutory authority to incur obligations and to make payments for specified purposes out of borrowed money. It must be established as needed by the acquisition of property subject to a mortgage, and withdrawn upon payment of the mortgage principal. When the buyer assumes the mortgage, the borrowing authority is disestablished.

1. A DoD Component becomes the mortgagor when it acquires property subject to a previous mortgage under the DoD Homeowners Assistance Program, or when it borrows money to finance or issues a mortgage instead of immediate payment for new construction under the DoD Family Housing Program. See Volume 3, Chapter 15 for additional guidance on Borrowing Authority.

2. Report the total acquisition cost of the property, including mortgages payable included in the sale of non-guaranteed government agency securities, as a disbursement with prefix (22) to liquidate the entire related obligation. Report the amount of the

mortgage assumed, which is included in the sale of non-guaranteed government agency securities, as a reimbursement with prefix (97).

3. Report payments to the mortgagee in two parts: report payments on principal, which are associated with the redemption of non-guaranteed government agency securities, as disbursements with prefix (87); and interest payments with prefix (22).

4. Report the sale of property subject to a previous mortgage assumed by the buyer as a reimbursement in the amount of the total sales price with prefix (22). Report only the portion of this balance as it relates to the redemption of non-guaranteed government agency securities. Report the amount of the existing mortgage assumed by the buyer, related to the redemption of non-guaranteed government agency securities, as a disbursement with prefix (87).

#### B. Trust Fund Investments

1. Report United States (U.S.) Government securities purchased as an investment by a trust fund as a disbursement at par value with prefix (88).

2. Report the sale of securities at par value as a receipt with prefix (98).

3. Further guidance on reporting related to the purchase and sale of U.S. Government securities, including the purchase of unrealized discount on investments with prefix (75), can be found in TFM Volume I, Part 2, Chapter 4300 ([TFM 2-4300](#)).

C. Cash. Additional reporting guidance on cash held outside of the U.S. Treasury (prefix (41)) can be found in TFM 2-3400.

#### 030206. Submission Method

[Fiscal Service](#) coordinates with the reporting entities to ensure appropriate submission and reporting procedures are in place to accomplish the monthly reporting requirement. Reporting entities compile expenditure accounting information from their reporting activities and electronically submit a monthly consolidated report to [Fiscal Service](#) in accordance with due dates established by [Fiscal Service](#) and consistent with the requirements of the Office of the Under Secretary of Defense (Comptroller) Program/Budget (OUSD(C)(P/B)) Program and Financial Control Directorate. Section 3140 of TFM Volume I, Part 2, Chapter 3100 lists the submission requirements for the SOT and SOA. The [Fiscal Service](#) consolidated submission consists of the SOA and SOT, to include intragovernmental activity disbursed and collected for others.

## 030207. Distribution

Each reporting entity that collects or disburses for another reporting entity must provide an SOT or other acceptable notification to the entity responsible for the funds. In addition, electronically submit the SOT to OUSD(C) (P/B).

## \*030208. Reconciliation of Monthly Information

A. The Defense Finance and Accounting Service (DFAS) and Components must incorporate controls into their processes to ensure amounts reported daily or monthly to Treasury reconcile to collections and disbursements processed through the disbursing systems and reflect amounts reported in the accounting systems. Monthly Treasury reporting includes: SF 224; SF 1218; FMS 1219; FMS 1220; and SF 1221 submissions by reporting entities.

B. DFAS and Components must perform timely reconciliations and implement effective and efficient reconciliation processes. Effective reconciliations serve as a detection control for identifying unauthorized and unrecorded transactions at the entities and Treasury. Volume 4, Chapter 2 prescribes DoD policy for reporting and reconciling transactions impacting an entity's Fund Balance with Treasury. Effective reconciliations are also important in preventing entity disbursements from exceeding appropriated amounts and providing an accurate measurement of the status of available resources.

C. The totals reported on the SOT and/or supplemental report will be consistent with the summarized "net disbursements" submitted by the reporting entities.

## 030209. Supplemental Reporting

A supplemental report may be submitted to Fiscal Service to adjust data after submitting the SOA and SOT. Under special circumstances, Fiscal Service may request a supplemental report from the reporting entity.

## 030210. Reporting for Accounting Periods When No Transactions Occur

An SOA must be submitted for periods when no transactions occur, whereas an SOT is not required.