

**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 [Dec 2015](#) is archived.

<b>PARAGRAPH</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
All	Reworded and reformatted the chapter for clarity. Revised references and added electronic links.	Revision
030202	Included information on the reporting processes used within the Central Accounting Reporting System (CARS).	Addition
030202.E	Included information on the Payment Information Repository and the Collections Information Repository used to submit payment and collection data to CARS.	Addition
030206.A	Included information on the Monthly Treasury Statement used to summarize financial activities of the Federal Government.	Addition

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**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 [contains](#) the reporting instructions for entities that perform their own disbursing while TFM 2-3300 [contains](#) the reporting instructions for entities that receive disbursing support from the Treasury.

## 0302 STATEMENT OF TRANSACTIONS (SOT)

## 030201. General

Entities responsible for their own disbursing will report DoD outlays and receipts using a Fiscal Service-prescribed format, [Standard Form \(SF\) 1220](#), “Statement of Transactions According to Appropriations, Funds, and Receipt Accounts,” in support of the [SF 1219](#), “Statement of Accountability” (SOA). The SOT is a companion report to the SOA 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)

The [CARS](#) system handles Treasury-level accounting and reporting for all federal agencies and is the system of record for Fiscal Service. [CARS handles financial management and accounting information across Federal Program Agencies \(FPA\) and provides agencies access to submit and retrieve data and information from Treasury.](#) 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. [BETC](#). A BETC is a code used to indicate the type of activity reported, such as payments, collections, or investments. Use the BETC, along with the TAS and the dollar amount, to classify each transaction against the Fund Balance with Treasury.

B. Classification Key (C-Key). A C-Key is a unique agency accounting code assigned to a transaction. C-Keys include agency accounting or collection mechanism data (e.g., account code, fund code, Merchant Identification Number), which translates directly to a TAS/BETC. Agencies establish C-Keys in the Shared Accounting Module (SAM) for collection transactions used to drive the appropriate values of TAS/BETC.

C. SAM. The SAM is an application that carries out the process of validating or deriving TAS/BETC combinations to assist in classifying financial transactions as they occur.

D. Classification Transactions and Accountability (CTA). The CTA is a system used by FPAs to report their monthly accounting activity to Fiscal Service. The Reclassification Component provides FPAs with a central location to correct or change accounting information that pertains to their reconciliation processes. Users of reclassification have the ability to reclassify the TAS/BETC and dollar amount of a transaction. CTA functionality for DoD is under development.

\* E. CARS Daily Reporters. “CARS Daily Reporters” submit the TAS/BETC reporting classification of each payment or collection daily to CARS via the Payment Information Repository (PIR) or Collections Information Repository (CIR), respectively. DoD disbursing officers report cash disbursements via the CTA system.

1. PIR. The PIR is a centralized information repository for federal payment-related data that includes details on all federal payments made by Treasury Disbursing Officer agencies, as well as Non-Treasury Disbursing Officer (NTDO) agencies. The PIR serves as a repository for all Government payment data and supports Government transparency initiatives by improving the way Fiscal Service collects, analyzes, and reports on payment-related data. Reporting entities submit payment and accounting data to the PIR using the Standard Reporting Format (SRF). The SRF is a Fiscal Service input file specification defining the data elements and validation rules that all NTDO use to report issued payments and associated TAS/BETC information.

2. CIR. The CIR is a web-based information repository that gives federal agencies information on deposits and collections. The CIR streamlines financial transaction information from all collections and settlement systems into one location. Reporting entities use the CIR to obtain detailed and summary-level information on collections received.

F. CARS Non-Daily Reporters. Agencies not classified as “CARS Daily Reporters” must report disbursements and collections through monthly reporting on “Statements of Transactions” (SF 224, “Statement of Transactions (Classified According to Appropriation, Fund and Receipt Account; and Related Control Totals)” or SF 1220 and SF 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 SF 224. TFM 2-3300 contains instructions for reporting using the SF 224.

## 030204. Report Preparation

The SF 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 4. Column titles for the SOT and required content are as follows:

A. Appropriation, Fund, or Receipt Account. Show the established symbol of the appropriation, fund, or receipt account for the transactions reported. In certain cases, special reporting of transactions is required below the level of appropriation or fund account. 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 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 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 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:

- fiscal year; and
- 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 **affected** 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 **G**overnment 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 **G**overnment agency securities, as a reimbursement with prefix “97.”

3. Report payments to the mortgagee in two parts: **P**ayments on principal, which are associated with the redemption of non-guaranteed **G**overnment 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, **using** prefix “22.” Report only the portion of this balance **that** relates to the redemption of non-guaranteed **G**overnment

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 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 use of prefix “75” with the purchase of unrealized discount on investments, can be found in TFM Volume I, Part 2, Chapter 4300 ([TFM 2-4300](#)).

C. Cash. TFM 2-3400 contains additional reporting guidance on cash held outside of the U.S. Treasury (prefix “41”).

\*030206. Submission Method

\* A. Fiscal Service coordinates with 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. Due dates are 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. Fiscal Service uses outlay and receipt information submitted by reporting entities to produce the Monthly Treasury Statement ([MTS](#)), which summarizes the financial activities of the Federal Government and conforms to the Budget of the U.S. Government. MTS data includes information provided by federal entities, disbursing officers, and Federal Reserve Banks. It presents a summary of receipts and outlays, surplus or deficit, and means of financing on a modified cash basis.

B. 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, including 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, the reporting entity electronically submits 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 1219, and SF 1220 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 affecting 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.