

<p style="text-align: center;"><b>SUMMARY OF MAJOR CHANGES TO DoD 7000.14-R, VOLUME 11B, CHAPTER 4 “FUND BALANCE WITH TREASURY, RECEIVABLES, ADVANCES, AND CASH MANAGEMENT</b></p> <p style="text-align: center;">Substantive revisions are denoted by a ★ preceding the section or paragraph with the substantive change or revision.</p>		
<b>PARA</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
<b>★ 040203</b>	<b>Allows for recognition of an accounts receivable for costs in excess of the amount specified in the customer order if the performing activity will be reimbursed for the additional costs.</b>	<b>Revised</b>

**TABLE OF CONTENTS**

**FUND BALANCE WITH TREASURY, RECEIVABLES, ADVANCES, AND CASH MANAGEMENT**

0401	Fund Balance with Treasury
0402	Receivables
0403	Advances and Prepayments
0404	Cash Management
0405	Transfers of Cash and Associated Budgetary Resources

CHAPTER 4

**FUND BALANCE WITH TREASURY, RECEIVABLES, ADVANCES,  
AND CASH MANAGEMENT**

0401 FUND BALANCE WITH TREASURY

040101. General Information. Additional information relating to fund balance with Treasury, cash, receivables and advances can be found in Volume 4 of this Regulation.

040102. Definition.

A. A federal entity’s fund balance with the Treasury is the aggregate amount of funds in the entity’s accounts with Treasury for which the entity is authorized to make expenditures and pay liabilities. The fund balance with Treasury of the Defense Working Capital Fund (DWCF) is primarily increased through the receipt of reimbursements from Department of Defense (DoD) and other entities. It is also increased through the receipt of appropriations, reappropriations, continuing resolutions, appropriation restorations, and allocations, and nonexpenditure transfer of funds from other entities. The fund balance is reduced by transfers to other entities or to the Treasury, and disbursements made to pay liabilities resulting from purchase of goods and services.

B. The fund balance does not include contract authority or unused authority to borrow. Contract authority merely permits a federal entity to incur certain obligations but does not, in itself, add funds to the agency’s accounts with Treasury. By definition, contract authority is unfunded and must subsequently be funded by an appropriation to liquidate obligations incurred under the contract authority, or by the collection and use of offsetting collections.

040103. Treasury Account Symbol. A Treasury account symbol, 97X4930, has been assigned to the DWCF for the purpose of maintaining fund balances with the Treasury. Additionally, the Treasury established subnumbered Military Department and Defense Agency DWCF accounts to accommodate separate accounting for DWCF cash balances. The Military Departments and the Defense Agencies DWCF subnumbered account identifiers assigned by the Treasury are shown in the below table.

<u>DoD Component</u>	Treasury Assigned <u>Account No.</u>
Army	97X4930.001
Navy	97X4930.002
Air Force	97X4930.003
Defense Commissary Agency	97X4930.004
Defense Agencies	97X4930.005

040104. Recordation/Reconciliation of Cash Transactions

A. All cash transactions shall be recorded in the individual activity accounts and shall be reconciled to total monthly cash transactions reported by the departmental finance network.

B. The reporting entity shall reconcile the Department's "Fund Balance With Treasury" general ledger account at the DWCF subnumbered account level to Treasury.

040105. Treasury Cash Balance. The cash on hand at the Treasury account levels must always be sufficient to pay liabilities when due. The responsibility for DWCF cash management is prescribed in paragraph 0404 of this chapter. A transaction that causes a negative balance in the funds with the Treasury account shall be investigated immediately and reported as an apparent violation of the Antideficiency Act as prescribed in Volume 14, "Administrative Control of Funds and Antideficiency Act Violations," of this Regulation.

040106. Outlays. Gross outlays should be equal to the cumulative amount of disbursements made for the fiscal year to date. Net outlays should be equal to gross outlays less the cumulative amount of collections received for the fiscal-year-to-date.

040107. Current Balance. The current balance of funds with Treasury is equal to the amount as of the beginning of the fiscal year plus the cumulative fiscal-year-to-date amounts of collections, appropriations, and transfers-in of fund balances with Treasury received minus the cumulative fiscal-year-to-date amounts of withdrawals, transfers-out, and disbursements.

040108. Fund Balance with Treasury Accounts. A collection or disbursement shall be recorded only when documentary evidence supports an increase or decrease to the Treasury account. Cash collections and cash disbursements should be segregated between those for the DWCF operating program (i.e., noncapital outlays) and the DWCF capital program (i.e., acquisition of capital assets) to comply with Title 10, United States Code (USC) Section 2208 (m). Additionally, undistributed cash collections and undistributed cash disbursements should be recorded and reported at the lowest organizational level. The authorized Fund Balance with Treasury (Account 1010) accounts for use by the DWCF is listed below.

Fund Balance with Treasury (Funds Collected-Operating Program)  
Fund Balance with Treasury (Funds Collected-Capital Program)  
Fund Balance with Treasury (Funds Disbursed-Operating Program)  
Fund Balance with Treasury (Funds Disbursed-Capital Program)  
Fund Balance with Treasury (Undistributed Collections)  
Fund Balance with Treasury (Undistributed Disbursements)

A. Fund Balance with Treasury Increases

1. Advances Received. A cash advance received shall be recorded as a collection and a liability. The usual entry for the receipt of advances is as follows:

- Dr 4222 Unfilled Customer Orders With Advance (Reimbursable)  
Cr 4210 Reimbursements and Other Income (Reimbursable)  
and  
Dr 4590 Apportionments Unavailable-Anticipated Resources  
Cr 4610 Allotments-Realized Resources (Reimbursable)
- Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
Cr 2310 Advances from Others

2. Refunds. Refunds are the repayments of excess payments (outlays). The amounts are directly related to previous obligations incurred and outlays made. Refunds receivable are not a budgetary resource. Refunds are not available for obligations until the refund is collected. Refunds collected in the same fiscal year as the obligations incurred will be credited to the appropriation or fund account charged with the original obligation. Refunds of prior year obligations are not available for obligation until collected and reapportioned by the Office of Management and Budget (OMB). A refund received is a reduction of a previous disbursement and shall, therefore, be recorded as a decrease to disbursements (negative disbursement) with an offsetting credit to the previously recorded accounts receivable (refunds). If a refund is received for which an accounts receivable was not previously established, the offsetting credit should be to the asset or expense account that was originally debited. The usual entry for the receipt of a refund (when the collection is in the same fiscal year discovered) is as follows:

- Dr 1010 Fund Balance with Treasury (Funds Disbursed-Operating Program)  
Cr 1310 Accounts Receivable (Refunds)
- Dr 4902 Delivered Orders-Obligations, Paid  
Cr 4610 Allotments-Realized Resources

3. Fund Balance with Treasury (Funds Collected - Operating Program). Collections may be due to advances from outside sources, performance of reimbursable work, collection of receivables, sale of assets, and other sources. All collections related to the operating program should be recorded to Account 1010, (Funds Collected - Operating Program).

a. The usual entry to record a reimbursable collection without an advance is as follows:

- Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
Cr 1310 Accounts Receivable
- Dr 4252 Reimbursements and Other Income Earned-Collected (Reimbursable)  
Cr 4251 Reimbursements and Other Income  
Earned-Receivable (Reimbursable)

b. The usual entry to record a reimbursable collection with an advance is as follows:

Dr 2310 Advances from Others  
Cr 5100 Revenue From Goods Sold  
Cr 5200 Revenue From Services Provided

Dr 4252 Reimbursements and Other Income Earned-Collected (Reimbursable)  
Cr 4222 Unfilled Customer Orders With Advance

4. Fund Balance with Treasury (Funds Collected-Capital Program). Collections may be due to advances from outside sources, performance of reimbursable work, collection of receivables, sale of assets, and other sources. All collections related to the capital program should be recorded to Account 1010, (Funds Collected-Capital Program). The usual entry to record a reimbursable collection with an advance is shown in paragraph 3.b., above. The usual entry to record a reimbursable collection without an advance for funds collected-capital program is as follows:

Dr 1010 Fund Balance with Treasury (Funds Collected-Capital Program)  
Cr 4251 Accounts Receivable

Dr 4252 Reimbursements and Other Income Earned-Collected (Reimbursable)  
Cr 4251 Reimbursements and Other Income  
Earned-Receivable (Reimbursable)

B. Fund Balance with Treasury Decreases. The fund balance with Treasury of the DWCF is primarily reduced by disbursements made to pay liabilities or to purchase assets, goods, and services and reimbursements to other entities or to the Treasury. It is also reduced by cancellation of expired appropriations, nonexpenditure transfers, and sequestration or rescission of appropriations.

1. Fund Balance with Treasury (Funds Disbursed - Operating Program). Account 1010, (Funds Disbursed - Operating Program) has been established to record cash outflows that occurred due to activity attributable to the operating program (vice capital program). The usual entry to record a cash disbursement applicable to the operating program is as follows:

Dr 2110 Accounts Payable  
Cr 1010 Fund Balance with Treasury (Funds  
Disbursed-Operating Program)

Dr 4901 Delivered Orders-Obligations, Unpaid (Reimbursable)  
Cr 4902 Delivered Orders-Obligations, Paid (Reimbursable)

2. Fund Balance with Treasury (Funds Disbursed-Capital Program).

The usual entry to record a cash disbursement applicable to the capital program is as follows:

Dr 2110 Accounts Payable  
Cr 1010 Fund Balance with Treasury (Funds  
Disbursed-Capital Program)

Dr 4901 Delivered Orders-Obligations, Unpaid (Capital Program)  
Cr 4902 Delivered Orders-Obligations, Paid (Capital Program)

3. Advances Paid. A cash advance made for an anticipated procurement shall be recorded as a cash disbursement and an asset. The usual entry for the payment of advances is as follows:

Dr 1410 Advances to Others  
Cr 1010 Fund Balance with Treasury (Funds  
Disbursed-Capital Program)

Dr 4801 Undelivered Orders-Obligations, Unpaid (Reimbursable)  
Cr 4802 Undelivered Orders-Obligations, Prepaid/Advanced  
(Reimbursable Program)

040109. Undistributed Collections and Undistributed Disbursements. Additional information relating to financial control over disbursements, collections and adjustment transactions affecting the fund balances with the Treasury can be found in Volume 3, Chapter 11, of this Regulation. Undistributed cash collections and undistributed cash disbursements should be recorded and reported at the lowest organizational level.

A. Undistributed cash transactions should be identified to the subnumbered Treasury account level, activity group level and installation-level.

1. Subnumbered Treasury Account Level Adjustments. The DWCF Component-level undistributed collections and undistributed disbursements that are identifiable in the finance network databases to a DWCF subnumbered account but do not contain sufficient information to identify them to a lower organizational (activity group/installation) level.

2. Activity Group Level Adjustments. The DWCF activity group-level undistributed collections and undistributed disbursements that are identifiable to the activity group level but do not contain sufficient information to identify them to an installation. Undistributed collections and undistributed disbursements are defined as the difference between the two or three position activity group rollup in the finance network databases and the activity group collections and disbursements reported through the accounting network.

3. Installation-Level Adjustments. The DWCF installation-level undistributed (unmatched) collections and undistributed (unmatched) disbursements that are identifiable through the finance networks to the installation-level but have not yet been matched at the installation-level to specific obligation or receivable subsidiary ledgers.

B. Collections or disbursements should be identified by the finance network to the lowest level to which they can be identified. That level shall record the undistributed collection or undistributed disbursement and provide documentation necessary to research the account for proper disposition.

C. Undistributed collections and undistributed disbursements are necessary to properly reflect the fund balance with the Treasury as contained in finance network reports. Amounts recorded as Account 1010, (Undistributed Collections) and (Undistributed Disbursements) shall be researched for proper disposition by the lowest organizational level to which they can be identified. Erroneous collections and disbursements reported by the finance network shall be reversed.

040110. Accounting for Undistributed Collections and Undistributed Disbursements

A. Account 1010, (Undistributed Collections). Account 1010, (Undistributed Collections) is used to record collections reported by the finance network which cannot be identified to a specific transaction, organization or organizational level. Collections to Account 1010, (Funds Collected-Operating Program and Funds Collected-Capital Program) should be recorded on a transaction basis. If the finance network reports cash collections in an amount in excess of the recorded transactions for an organization or organizational level, the receiving entity should record the excess amount as an increase in undistributed collections. If the finance network reports cash collections in an amount less than the recorded transactions for an organization or organizational level, the receiving entity should record that amount as a decrease in undistributed collections. An illustrative entry to record an undistributed collection is as follows:

1. Entries When Reported Collections Are Greater Than Recorded Collections

Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
 Cr 1010 Fund Balance with Treasury  
     (Undistributed Collections)

Dr 4252 Reimbursements and Other Income Earned-Collected (Reimbursable)  
 Cr 4252 Reimbursement and Other Income  
     Earned-Collected (Undistributed)

Entry to record undistributed collections when the collections reported by the finance network exceed the amount of collections shown on the records of the reporting entity.

2. Entries When Reported Collections Are Less Than Recorded Collections

- Dr 1010 Fund Balance with Treasury (Undistributed Collections)  
 Cr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)
- Dr 4252 Reimbursement and Other Income Earned-Collected (Undistributed)  
 Cr 4252 Reimbursements and Other Income Earned-Collected (Reimbursable)

Entry to record undistributed collections when the collections reported by the finance network are less than the amount of collections known to the reporting entity.

3. Monthly Entry For Financial Reporting Purposes. Prior to financial report preparation, the balance in Account 1010, (Undistributed Collections) shall be transferred to Account 1310, "Accounts Receivable" or other appropriate accounts based upon the best information available as to the proper account. Immediately after financial report preparation, the value previously transferred shall be reversed and reestablished within the Account 1010, (Undistributed Collections) for further research. The following entries illustrate this for financial reporting purposes when Account 1010, (Undistributed Collections) has a credit balance:

- Dr 1010 Fund Balance with Treasury (Undistributed Collections)  
 Cr 1310 Accounts Receivable (Undistributed)
- Dr 4252 Reimbursement and Other Income Earned-Collected (Undistributed)  
 Cr 4251 Reimbursements and Other Income Earned- Receivable (Reimbursable) (Undistributed)

To reduce accounts receivable by the amount of undistributed collections for financial report presentation purposes only.

- Dr 1310 Accounts Receivable (Undistributed)  
 Cr 1010 Fund Balance with Treasury (Undistributed Collections)
- Dr 4251 Reimbursement and Other Income Earned-Receivable) (Reimbursable) (Undistributed)  
 Cr 4252 Reimbursements and Other Income Earned-Collected (Undistributed)

To reverse undistributed collections reported by the finance network following financial report preparation.

4. Abnormal Balances in Receivables. In some cases, adjustments for undistributed collections may cause abnormal balances in receivables (Account 1310, Accounts Receivable and/or Account 4251, Reimbursements and Other Income Earned-Receiveable). If abnormal balances occur because of these adjustments, the following additional adjustments should be made at the same level that the entries for undistributed collections are made that caused the abnormal balances.

Dr 4251 Reimbursements and Other Income Earned-Receiveable  
Cr 4221 Unfilled Customer Orders Without Advance

Dr 1310 Accounts Receivable  
Cr 5900 Other Revenue

Dr 4801 Undelivered Orders-Obligations, Unpaid (Reimbursable)  
Cr 4901 Delivered Orders-Obligations, Unpaid (Reimbursable)

Dr 1310 Accounts Receivable  
Cr 5900 Other Revenue

Dr 1\*\*\* Asset Account  
Dr 6100 Operating Expenses/Program Cost  
Cr 2110 Accounts Payable

5. Abnormal Balances in Unfilled Customer Orders - Without Advance. If the above entry results in an abnormal balance in Account 4221 Unfilled Customer Orders Without Advance, at the appropriation level, the DFAS Center is to report the abnormal balance and work with the customer to relieve the abnormal balance. If the above entry results in an abnormal balance at the installation-level (applicable to the DWCF only), the center must coordinate with the customer to have the customer record additional valid unfilled orders to cover the negative value.

Dr 4221 Unfilled Customer Orders Without Advance (Reimbursable)  
Cr 4610 Allotments-Realized Resources (Reimbursable)

6. Disposition of Undistributed Collections. The following illustrate entries to record the identification of undistributed collections to the proper account as a result of determining the specific transaction that resulted in the collection:

Dr 1010 Fund Balance with Treasury (Undistributed Collections)  
Cr 1310 Accounts Receivable

Dr 4252 Reimbursements and Other Income Earned-Collected (Undistributed)  
Cr 4251 Reimbursement and Other Income  
Earned-Receiveable (Reimbursable)

B. Account 1010 Fund Balance with Treasury (Undistributed Disbursements). Account 1010, Fund Balance with Treasury (Undistributed Disbursements) is used to record the disbursements reported by the finance network which cannot be identified to a specific transaction, organization or organizational level. Disbursements against Account 1010, (Funds Disbursed-Operating Program and Funds Disbursed-Capital Program) should be recorded on a transaction basis. If the finance network reports cash disbursements in an amount in excess of the recorded transactions for an organization or organizational level, the receiving entity should record that amount as an increase of undistributed disbursements. If the finance network reports cash disbursements in an amount less than the recorded transactions for an organization or organizational level, the receiving entity should record that amount as a decrease in undistributed disbursements. An illustrative entry to record an undistributed disbursement is as follows:

1. Entries When Reported Disbursements Are Greater Than Recorded Disbursements

Dr 1010 Fund Balance with Treasury (Undistributed Disbursements)  
Cr 1010 Fund Balance with Treasury (Funds Disbursed-Operating Program)

Dr 4902 Delivered Orders-Obligations, Paid (Undistributed)  
Cr 4902 Delivered Orders-Obligations, Paid (Reimbursable)

To record undistributed disbursements when disbursements reported by the finance network exceed the amount of disbursements shown on the records of the reporting entity.

2. Entries When Reported Disbursements Are Less Than Recorded Disbursements

Dr 1010 Fund Balance with Treasury (Funds Disbursed-Operating Program)  
Cr 1010 Fund Balance with Treasury (Undistributed Disbursements)

Dr 4902 Delivered Orders-Obligations, Paid (Reimbursable)  
Cr 4902 Delivered Orders-Obligations, Paid (Undistributed)

To record undistributed disbursements when disbursements reported by the finance network are less than the amount of disbursements shown on the records of the reporting entity.

3. Monthly Entry For Financial Reporting Purposes. Prior to financial report preparation, the balance in Account 1010, (Undistributed Disbursements) shall be transferred to Account 2110, "Accounts Payable" or other appropriate accounts based upon the best information available as to the proper account. Immediately after financial report

preparation, the value previously transferred shall be reversed and reestablished within the Account 1010, (Undistributed Disbursements) for further research. The following entries illustrate this for financial reporting purposes when Account 1010, (Undistributed Disbursements) has a debit balance:

Dr 2110 Accounts Payable (Undistributed)  
Cr 1010 Fund Balance with Treasury (Undistributed Disbursements)

Dr 4901 Delivered Orders-Obligations, Paid (Reimbursable) (Undistributed)  
Cr 4902 Delivered Orders-Obligations, Paid (Undistributed)

To reduce accounts payable by the amount of undistributed disbursements for financial report presentation purposes only.

Dr 1010 Fund Balance with Treasury (Undistributed Disbursements)  
Cr 2110 Accounts Payable (Undistributed)

Dr 4902 Delivered Orders-Obligations, Paid (Undistributed)  
Cr 4901 Delivered Orders-Obligations, Unpaid  
(Reimbursable) (Undistributed)

To reverse undistributed disbursements reported by the finance network following financial report preparation.

4. Abnormal Balances in Payables. In some cases, adjustments for undistributed disbursements may cause abnormal balances in payables, (Account 2110, Accounts Payable and/or Account 4901 Delivered Orders-Obligations, Unpaid). If abnormal balances occur because of these monthly adjustments, the following additional adjustments should be made at the same level that the entries for undistributed disbursements are made that caused the abnormal balances.

Dr 4801 Undelivered Orders-Obligations, Unpaid (Reimbursable)  
Cr 4901 Delivered Orders-Obligations, Unpaid (Reimbursable)

Dr 1\*\*\* Asset Account  
Dr 6100 Operating Expenses/Program Cost  
Cr 2110 Accounts Payable

5. Abnormal Balances in Undelivered Orders-Obligations, Unpaid. If the above entry results in an abnormal balance in Account 4801, Undelivered Orders-Obligations, Unpaid, at the appropriation level, the DFAS Center is to report the abnormal balance and work with the customer to relieve the abnormal balance. If the above entry results in an abnormal balance at the installation-level (applicable to DWCF only), the DFAS Center must coordinate with the customer to have the customer record additional obligations to cover the negative value.

Dr 4610 Allotments-Realized Resources (Reimbursable)  
Cr 4801 Undelivered Orders-Obligations, Unpaid (Reimbursable)

6. Disposition of Undistributed Disbursements. The following illustrate entries to record the identification of undistributed disbursements to the proper account as a result of determining the specific transaction that resulted in the disbursement:

Dr 2110 Accounts Payable  
Cr 1010 Fund Balance with Treasury (Undistributed Disbursements)

Dr 4901 Delivered Orders-Obligations, Unpaid (Reimbursable)  
Cr 4902 Delivered Orders-Obligations, Paid (Undistributed)

#### 0402 RECEIVABLES

040201. General Information. Additional information relating to receivables can be found in Volume 4, Chapter 3, “Receivables,” of this Regulation.

040202. Scope. Accounts receivable arise from claims to cash or other assets of other entities.

★ 040203. Recognition of Receivables

A. A receivable should be recognized when a federal entity establishes a claim to cash or other assets against other entities, based on legal provisions, such as a payment due date, or goods or services provided based on a funded customer order. If the exact amount is unknown, a reasonable estimate should be made.

B. Each activity operating under the DWCF shall be reimbursed for the costs of all goods and services ordered and produced. The DWCF activities shall not accept customer orders without funding. The DWCF activities must record accounts receivables that they have earned from the sale (actual delivery and acceptance) of goods and services for which money is owed. In addition, work, services, or materials provided to a customer in an amount or cost greater than the funding provided by the customer order may constitute an accounts receivable if the performing activity will be reimbursed for the additional cost. Accounts receivable and reimbursement collected in excess of the amount specified in the order should be a rare occurrence.

C. Reimbursement policy for contingency operations and humanitarian efforts can be found in Chapter 11, of this volume.

040204. Supporting Records. General ledger receivable balances shall be supported by detailed records of each amount receivable from each customer such as the date recorded, bill number, and date billed.

040205. Reconciliations. At least quarterly, the subsidiary records shall be reconciled to the general ledger balances. Differences between subsidiary records and general ledger balances shall be investigated to determine the cause(s) of the difference. Errors found during the investigation shall be corrected.

040206. Requirements for Separate Reporting of Receivables

A. Federal and Nonfederal Receivables. Receivables from federal entities are intragovernmental receivables, and should be reported separately from receivables from nonfederal entities. Intragovernmental receivables are claims of a federal entity against other federal entities.

B. Entity Versus Nonentity Receivables. Receivables should be distinguished between entity receivables and nonentity receivables as discussed below.

1. Entity Receivables. Entity receivables are amounts that a federal entity claims for payment from other federal or nonfederal entities and that the federal entity is authorized by law to include in its obligational authority or to offset its expenditures and liabilities upon collections. An entity may have receivables that, once collected, can be used as offsets to the entity's budget authority and outlays only when authorized by the Congress (offsetting collections). Before receiving the authorization, however, those receivables are nonentity receivables.

2. Nonentity Receivables. Nonentity receivables are amounts that the entity collects on behalf of the U.S. Government or other entities, and the entity is not authorized to spend. Receivables not available to an entity are nonentity assets and should be reported separately from receivables available to the entity.

040207. Recognition of Losses on Accounts Receivable

A. An allowance for estimated loss on receivables for debt due from the public must be established and maintained to reduce the gross amount of receivables to net realizable value in order to avoid overstating materially the amount of reported receivables. An allowance for loss on accounts receivable is not required for federal intragovernmental debt. Amounts owed by state, local, and foreign governments are considered debt due from the public.

B. Due to the possible impact on future DWCF customer rates with the establishment of an allowance for loss on accounts receivable due from the public, DWCF activities shall notify the Office of Undersecretary of Defense (Comptroller) (OUSD(C)), Office of the Deputy Comptroller (Program/Budget) (ODC(P/B)), Revolving Funds Directorate when an allowance for loss on accounts receivable due from the public is established or reestimated.

C. The allowance for loss on accounts receivable due from the public should be reestimated on each annual financial reporting date and when information indicates that the latest estimate is no longer correct. Losses due to uncollectible amounts should be measured through a systematic methodology. The systematic methodology should be based on analysis of both individual accounts and a group of accounts as a whole.

1. Individual Account Analysis. Accounts that represent significant amounts should be individually analyzed to determine the loss allowance. Loss estimation for individual accounts should be based on: (1) the debtor's ability to pay; (2) the debtor's payment record and willingness to pay; and (3) the probable recovery of amounts from secondary sources including liens, garnishments, cross collections, and other applicable collection tools.

2. Group Analysis. To determine the loss allowance on a group basis, receivables should be separated into groups of homogeneous accounts with similar risk characteristics. The groups should reflect the operating environment. For example, accounts receivable can be grouped by: (1) debtor category (business firms, state and local governments, and individuals); (2) reasons that gave rise to the receivables (erroneous payments or trade accounts based on goods and services sold); or (3) geographic regions (foreign countries and domestic regions). Within a group, receivables can be further stratified by risk characteristics. Examples of risk factors are economic stability, payment history, alternative repayment sources, and aging of the receivables. Statistical estimation by modeling or sampling is one appropriate method for estimating losses on groups of receivables. Statistical estimation should take into consideration factors that are essential for estimating the level of losses, including historical loss experience, recent economic events, current and forecast economic conditions, and inherent risks.

D. Losses on receivables should be recognized when it is more likely than not that the receivables will not be totally collected; the phrase "more likely than not" means more than a 50 percent chance of loss occurrence.

E. Bad Debts. Provisions made for an allowance for loss on accounts receivable due from the public shall result in a corresponding increase to the Account 6720, Bad Debt Expense.

F. Uncollectible Receivables from the Public. Termination of collection actions for receivables due from the public should be initiated in accordance with the provisions of the Code of Federal Regulations (CFR), Title 4, Volume 1, Part 104. Part 104.3 states that an agency should terminate collection action and write off the debt when one or more of the following criteria apply. Information must be retained so that a discontinuance of collection action can be reinstated if new evidence or other pertinent data or circumstances warrant.

1. The debt is erroneous or otherwise without merit. In these cases, the debt was never owed in the first place and should not have been classified as an accounts receivable. The entries that established the accounts receivable should be reversed when it becomes clear that the debt is erroneous or otherwise without merit.

2. The debt cannot be substantiated by evidence. In these cases, the agency does not have or cannot produce the evidence or witnesses necessary to validate a claim and has not been able to obtain the voluntary repayment of the debt. If the debt cannot be substantiated by evidence it should not have been classified as an accounts receivable. The entries that established the accounts receivable should be reversed when it becomes clear that the debt cannot be substantiated by evidence. Issues that should be addressed in response to this criteria include, but are not limited to, the following:

- a. Does the ordering entity acknowledge receipt of the goods or service?
- b. Is there an acceptable explanation of nonpayment by the ordering entity?
- c. Is there sufficient auditable detailed documentary evidence to support the debt?
- d. Is there sufficient data available to reconstruct the required documentation to substantiate the debt?

3. The costs of further collection action will probably exceed the amount which could be recovered.

4. The agency is unable to locate the debtor and finds that either: (a) there is no security to be liquidated to recover the amount owed; or (b) the statute of limitations has expired and the chances of recovering the debt do not justify retaining the debt as a receivable.

5. The agency is unable to collect any substantial amount.

6. Further, debts due from the public that are \$100,000 or more must be referred to the Department of Justice for concurrence in terminating collection action (see Volume 5, Chapter 29, of this Regulation).

#### G. Uncollectible Receivables From Other Federal Government Entities

1. As a rule, a federal entity should not provide goods or services to another federal entity without receipt of a reimbursable order unless such provision is the mission of the providing entity and it is funded to do so. However, instances do arise when goods or services must be furnished to a federal entity prior to receipt of a reimbursable order. Most such occurrences are the result of a public law which directs such action, or an emergency situation, or other imminent situation for which time or circumstances do not permit normal funding arrangements. The CFR, Title 4, Volume 1, Part 101.3 states that federal agencies should attempt to resolve interagency claims by negotiation. There is no statutory authority to discontinue collection action of a debt owed by another federal government entity. However, discontinuance of collection action of debt owed by another federal government entity may occur

when one or more of the following criteria apply. Information must be retained so that a discontinuance of collection action can be reinstated if new evidence or other pertinent data or circumstances warrant.

a. The debt is erroneous or otherwise without merit. In these cases, the debt was never owed in the first place and should not have been classified as an accounts receivable. The entries that established the accounts receivable should be reversed when it becomes clear that the debt is erroneous or otherwise without merit. Issues that should be addressed in response to this criteria include, but are not limited to, the following:

(1) Was a valid reimbursable order received which constituted, or appeared to constitute, an obligation to pay by the ordering entity?

(2) Is the amount billed in excess of the amount authorized by the reimbursable order?

(3) If a valid reimbursable order was not received, was there sufficient reason (public law, emergency or other imminent situation) to provide the goods or services in absence of an order?

b. The debt cannot be substantiated by evidence. In these cases, the agency does not have or cannot produce the evidence necessary to establish a claim and has not been able to obtain the voluntary repayment of the debt. If the debt cannot be substantiated by evidence it should not have been classified as an accounts receivable. The entries that established the accounts receivable should be reversed when it becomes clear that the debt cannot be substantiated by evidence. Issues that should be addressed in response to this criteria include, but are not limited to, the following:

(1) Does the ordering entity acknowledge receipt of the goods or service?

(2) Is there an acceptable explanation of nonpayment by the ordering entity?

(3) Is there sufficient auditable detailed documentary evidence to support the debt?

(4) Is there sufficient data available to reconstruct the required documentation to substantiate the debt?

2. Disputed Billings. Guidance on disposition of a disputed bill with another federal government entity for goods or services provided may be found in Volume 4, Chapter 3 of this Regulation.

040208. Accounting Entries for Receivables. The DoD receivables normally result from the performance of work authorized by the formal receipt and acceptance of customer reimbursable orders. Customer orders from the public, unless specifically authorized by law, require advance payment. However, receivables may also result from cash overpayments, erroneous payments, unliquidated advances or orders from other government agencies and the public without payment in advance. When orders are received with advance payment, the performing activity is assured of reimbursement. However, when orders are received without advance payment, reimbursements may not always materialize. The following entries illustrate simplified transactions in proprietary and budgetary accounts where performance has been accomplished and revenue earned (accounts receivable) based on the acceptance of a reimbursable order without an advance.

A. To record allowance for loss on receivables

Dr 6720 Bad Debt Expense  
Cr 1319 Allowance for Loss on Accounts Receivable

To record establishment of an allowance for loss on accounts receivable due from the public and a corresponding estimate of bad debts expense for the fiscal year. (There is no corresponding budgetary entry for this entry.) (An allowance for loss on accounts receivable is not required for federal intragovernmental debt.)

B. To Record Recognition of Revenue

Dr 1310 Accounts Receivable  
Cr 5200 Revenue From Services Provided

Dr 4251 Reimbursements and Other Income Earned-Receiveable  
Cr 4221 Unfilled Customer Orders Without Advance

To establish the receivable and recognize earned revenue from performance. The sources of entry for the above entry are billing documents, interfund billings, job cost reports, receiving reports, payroll records, etc.

C. To Record Actual Collection

Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
Cr 1310 Accounts Receivable

Dr 4252 Reimbursements and Other Income Earned-Collected  
Cr 4251 Reimbursements and Other Income Earned-Receiveable

To record receipt of cash payment for reimbursable services. The source of entry for the above entry is cash collection vouchers.

D. Proprietary Account Entries to Record Write-Off of Uncollectible Receivables

Dr 1319 Allowance for Loss on Accounts Receivable  
Dr 6720 Bad Debt Expense (If the allowance was not sufficient  
or  
if an allowance had not previously been established)  
Cr 1310 Accounts Receivable

To record actual write-off of bad debt. (An amount for actual bad debts expense is not recorded in those instances when an Allowance for Loss on Accounts Receivable was previously established unless: (a) the previously established Allowance for Loss on Accounts Receivable is not sufficient to cover the bad debt; or (b) an Allowance for Loss on Accounts Receivable had not previously been established. If, under condition (a), the Allowance for Loss on Accounts Receivable is not sufficient, then the bad debt expense recorded is the difference between the amount of the write-off and the balance in the Allowance account.) For example, in the illustration above, if Account 1319 had only a \$3,000 credit balance, then the \$4,000 write-off would be recorded as follows:

Dr 1319 Allowance for Loss on Accounts Receivable  
Dr 6720 Bad Debt Expense (If the allowance was not sufficient  
Cr 1310 Accounts Receivable

E. Budgetary Account Entries to Record Write-Off of Uncollectible Receivables. Whenever a receivable which was earned by performance on a reimbursable order is written off, appropriate entries in the budgetary accounts must be made to ensure the removal of the corresponding uncollected reimbursement amount and removal of unobligated reimbursable program authority equal to the receivable amount written off. This requires the complete reversal of all budgetary transactions in the reimbursable program accounts and accounts relating to the performance on the uncollected reimbursable order. Accounting entries for receipt of customer order, performance of customer order and recognition of reimbursements earned that should be reversed are provided in Chapter 3, paragraph 303, of this volume and accounting entries for refunds are provided in paragraph 040108 A.2, above. Only the amount of the order that is uncollectible shall be written off. For example, if \$4,000 of a \$10,000 reimbursable order is determined uncollectible, then the write off should be only for the \$4000 uncollectible amount--not the entire \$10,000. If expenses were incurred in the performance of the customer order, they must be absorbed by the budgetary resources provided by other customer orders.

0403 ADVANCES AND PREPAYMENTS

040301. General Information. Additional information relating to advances and prepayments can be found in Volume 4, Chapter 5, “Advances and Prepayments,” of this Regulation.

040302. Advances. Advances are cash outlays made by a federal entity to its employees, contractors, other federal entities, or others to cover a part or all of the recipients’ anticipated expenses or as advance payments for the cost of goods and services the entity acquires. Subsidiary records of individual advances shall be maintained to support the amount recorded in the general ledger account. The subsidiary record shall include the amount advanced, the date advanced, the applicable contract number, and the disposition of the advance. At least quarterly, the subsidiary record shall be reconciled with the general ledger balance.

040303. Prepayments. Prepayments are payments made by a federal entity to cover certain periodic expenses before those expenses are incurred. Typical prepaid expenses are rents paid to a lessor at the beginning of a rental period. (Progress payments, cost reimbursement payments, and payments for partial deliveries made to a contractor or other federal entity based on partial completion of a contract or work request are not advances or prepayments but rather are payments based upon performance.) Progress payments based on costs and performance based payments (financing payments) are considered prepayments (see Volume 10, Chapter 1 of this Regulation).

040304. Recording of Advances and Prepayments. Advances and prepayments should be recorded as assets. Advances and prepayments are reduced when goods or services are received, contract terms are met, or prepaid expenses expire. (An example of the accounting entries when a DWCF activity pays for goods or services in advance is shown in Chapter 3, paragraph 030303 of this volume.) A travel advance, for example, should be initially recorded as an asset and should be subsequently reduced when travel expenses are actually incurred. Amounts of advances and prepayments that are subject to refund (for example, a settled travel claim indicating the traveler owes part of the advance to the government) should be transferred to refunds receivable.

040305. Classification of Advances and Prepayments. Advances and prepayments paid out by an entity are assets of the entity. On the other hand, advances and prepayments received by an entity are liabilities of the entity. In financial reports of an entity, advances and prepayments the entity paid out (assets) should not be netted against advances and prepayments that the entity received (liabilities).

040306. Reporting of Advances and Prepayments. Advances and prepayments made to federal entities are intragovernmental items and should be accounted for and reported separately from those made to nonfederal entities.

0404 CASH MANAGEMENT

040401. General Information. Additional information relating to DWCF cash management can be found in Volume 2B, Chapter 9 of this Regulation.

040402. Applicability & Scope

A. Cash Management. Cash Management is defined as actions necessary to maintain appropriate balances of cash to meet operational and capital requirements.

B. Cash Balance. Cash generated from operations is the primary means of maintaining adequate cash balances within the DWCF. The ability to generate cash is dependent on rates that recover full costs to include prior year losses, accurate work load projections, and meeting established operational goals. Cash shortage correction efforts, when required to meet cash requirements and prevent a violation of the Antideficiency Act, will initially focus on those activity groups failing to meet operational plans and, therefore, contributing to cash shortages.

C. Cash Balance Criteria. Effective cash management is directly dependent on the availability of accurate and timely data on cash balance and operational results. Improvements in management data as well as changes in operational needs and capital requirements may dictate subsequent changes in the established cash balance criteria. The criteria shall be reviewed at least annually by the ODC(P/B) as part of the budget review and documented in a Program Budget Decision (PBD).

D. Cash Transfer Authorization. Cash transfers may be authorized for DWCF activities to augment either working capital or accumulated operating results. Any transfers of cash outside of the DWCF or between activity groups within the DWCF, whether directed internally by the DoD Component, as the result of audit, departmental guidance, or Congressional direction, shall be included in the affected activity group's budgets. Cash transfers shall not be made without prior consultation and written authorization of the Director for Revolving Funds, ODC(P/B). Further, all such transfers shall be formally documented in a PBD, and shall be reflected in both the gaining and losing activity groups' supplementary budget justification books for the President's Budget Submission.

040403. Purpose

A. The DWCF cash management policy is to maintain the minimum cash balance necessary to meet both operational requirements and to meet disbursement requirements in support of the capital program.

B. The Department relies on the use of cash managers to maintain the cash necessary to operate its DWCF. Cash has been distributed to the cash managers for the five DWCF subnumbered Treasury accounts (see paragraph 040103, above). Antideficiency limitations associated with the cash has been distributed to four of the five DWCF subnumbered Treasury accounts. Antideficiency limitations associated with the cash has not been distributed

to the DWCF subnumbered Treasury account 97X4930.005. The distribution of cash and its associated antideficiency limitations to the individual Treasury subnumbered accounts properly aligns cash management with cost management and provides improved incentives for better business decision. The cash manager for each Treasury subnumbered account has been authorized to realign (delegate) cash to the activity group or installation-level at their discretion.

C. Since the DWCF rates are established at levels estimated to recover the cost of products and services, the budget process is the mechanism used to ensure that adequate resources are budgeted in the customers' appropriated fund accounts to pay established rates. The amount of profit or loss does not relate to whether cash was made or lost because in determining the profit or loss, non-cash transaction, such as depreciation is included.

040404. Cash Management Responsibilities. The division of responsibilities for cash management is as follows:

A. ODC(P/B)

1. Monitor DWCF Component cash balances.
2. Establish procedures to correct short-term cash shortages.

B. DFAS

1. Provide timely and accurate reporting of cash balances by DoD Component and activity group.
2. Work with DoD Components to correct finance and accounting problems and provide DoD Components details of DFAS changes made to accounting reports.
3. Ensure collections and disbursements are processed and recorded accurately and timely consistent with DoD policy.

C. DoD Components

1. Establish and maintain cash plans based on the approved budget.
2. Monitor collections and disbursements to assess operational or financial problems.
3. Take necessary action to correct operational problems contributing to deviations from cash plans.
4. Ensure revenue recognition, progress billing, and collection policies are followed including the minimization of outstanding receivables.

5. Work with the DFAS to correct finance and accounting problems contributing to deviations from the cash plan.

040405. Overview

A. The DWCF Fund Balance with Treasury is subdivided at the Treasury into five subnumbered Treasury accounts. It is at the subnumbered account level that the Fund Balance with Treasury exists for the DWCF. Each of the five subnumbered Treasury accounts reporting entities within the Department report a Fund Balance with Treasury amount on their balance sheet. Some DWCF activities below the subnumbered Treasury accounts level do not have an actual Fund Balance with Treasury amount. For these DWCF activity groups, the Fund Balance with Treasury amount reported is not reflective of an actual Fund Balance with Treasury but rather a clearing account for recording collection and disbursement activity that reflect a net of collections and disbursements incurred during the year. The entities below the subnumbered Treasury accounts level transfer collections and disbursements to the appropriate subnumbered Treasury accounts at year end.

B. One of the five subnumbered accounts is the Defense-wide Treasury account (97X4930.005). The Defense-wide account includes a number of Defense Agencies operating under the DWCF. The Defense Agencies within the Defense-wide account provide and use funds from the centralized cash pool that is managed under the Defense-wide Treasury account. The Defense Logistics Agency (DLA) has been designated as the cash manager for the Defense-wide Treasury subnumbered account. Entities provide or use funds depending on whether an entity needs to provide a collection or make a disbursement. If an entity's cash collections exceed the entity's cash disbursements, the entity is provided funds to the centralized cash pool for other entities' use. If an entity's cash disbursements exceed the entity's cash collections the entity is using funds from the centralized cash pool to make disbursements.

C. Maintaining one Treasury subnumbered account for the Defense Agencies allows the Department to meet its objective of maintaining a much smaller cash balance to support ongoing operations compared to the level of cash required if each Defense Agency operated under a unique Treasury subnumbered account. The Department in consultation with the Congress agreed to minimize the amount of Treasury cash needed to operate the DWCF. The DLA has not delegated cash below the 97X4930.005 account level. Therefore the "cash balance" below the Defense-wide Treasury account level should only consist of current year collections and disbursements.

D. A federal entity's Fund Balance with Treasury is the aggregate amount of funds in the entity's accounts with Treasury for which the entity is authorized to make expenditures and pay liabilities. However, from the perspective of the federal government as a whole, it is not an asset; and while it represents a commitment to make resources available to federal departments, agencies, programs and other entities, it is not a liability. (See the Statement of Federal Financial Accounting Standard Number 1, "Accounting for Selected Assets and Liabilities.")

E. For audited financial statements and the Report on Budget Execution and Budgetary Resources (SF 133), the transfer of current year cash disbursements and collections from the activity group level to the appropriate DoD Component Treasury subnumbered account shall be completed as of September 30. Fund Balance With Treasury amounts for the Defense-wide Treasury subnumbered account shall be included in the component column on the consolidating balance sheet. The individual activity group shall not report a balance on the balance sheet for Fund Balance with Treasury. For the Accounting Report 1307, the transfer of current year cash disbursements and collections from the activity group level to the appropriate DoD Component Treasury subnumbered account shall be completed as of October 1.

F. The transfers are reflected at the activity group and subnumbered account level in account 5720, Financing Sources Transferred In Without Reimbursement (subnumbered account) and 5730 Financing Sources Transferred Out Without Reimbursement (activity group). The transfer of the current fiscal year cash disbursements and collections to the subnumbered account level shall be recorded as follows.

1. Transactions at the Activities

Dr 1010 Fund Balance with Treasury (Disbursements)  
Dr/Cr 5730 Financing Sources Transferred Out Without Reimbursement  
(Cash Transfers)  
Cr 1010 Fund Balance with Treasury (Collections)

2. Transactions at the DoD Component (subnumbered)

Dr 1010 Fund Balance with Treasury (Collections)  
Dr/Cr 5730 Financing Sources Transferred In Without Reimbursement  
(Cash Transfers)  
Cr 1010 Fund Balance with Treasury (Disbursements)

G. Financial Reporting Footnote. Footnote disclosures for the organizations operating under the Defense-wide DWCF Subnumbered Treasury account .005 are as follows. These organizations are: DFAS; DLA; Defense Information Systems Agency; Defense Security Service; Defense Technical Information Center; Joint Logistics Systems Center, Management Support Office; Corporate Information Management, Office of the Secretary of Defense; and Component level.

1. Note 1X. Significant Accounting Policies, Funds with the United States (U.S.) Treasury and Cash. The DWCF Fund Balance with Treasury is subdivided at the Department of the Treasury into five subnumbered Treasury accounts. It is at the subnumbered account level that the Fund Balance with Treasury (cash) exists for the DWCF. The [Reporting Entity] and nine other DWCF activities operate under one Defense-wide subnumbered Treasury account. As a result, the [Reporting Entity] does not have an individually identifiable Fund Balance with Treasury. The collections, disbursements and/or cash transfers applicable to [Reporting Entity] operations are recorded on the [Reporting Entity] financial records during the

fiscal year. However, since the [Reporting Entity] does not have a Fund Balance with Treasury, it is inappropriate to report a Fund Balance with Treasury in these accounts at year end. Therefore, the collections and disbursements and current year cash transfers are posted, as of September 30 each fiscal year, to the Defense-wide DWCF subnumbered Treasury account. The collection, disbursement, and current year cash transfers balances are recorded as financing sources transferred out without reimbursement and that account is later closed to cumulative results of operations. At the subnumbered Treasury account level, the disbursement, collection, and current year cash transfers amounts are recorded with an offset to the financing sources transferred in without reimbursement. Specific disclosures of the amounts involved are contained in note X, Fund Balance with Treasury and note X, Disclosures Related to the Statement of Changes in Net Position.

2. Note X. Fund Balance with Treasury. As described in note 1X, the following amounts were posted to the Defense-wide DWCF subnumbered Treasury account.

Collections	XXX
Disbursements	XXX
Cash Transfers	XXX
Appropriated Funds	<u>XXX</u>
Total	<u>X,XXX</u>

3. Note X. Disclosures Related to the Changes in Net Position

a. Line X, Transfers-in/out without reimbursement (Other Financing Sources) includes [dollar amount] of FY XXXX collections, disbursements, and/or cash transfers and appropriated funds from the [Reporting Entity] to the Defense-wide DWCF subnumbered Treasury account level as described in note 1X.

b. Line X, Net Position End of Period includes the cumulative amount of collections, disbursements and/or cash transfers and appropriated funds posted to the Defense-wide DWCF subnumbered Treasury account level as described in note 1X.

#### 0405 TRANSFERS OF CASH AND ASSOCIATED BUDGETARY BALANCES

040501. Transfers Among or Within DWCF Subnumbered Accounts. Cash managers for each Treasury subnumbered account have been authorized to realign (delegate) cash to the activity group or installation-level at their discretion. If the cash managers realign cash within their subnumbered account, all such approved cash transfers from one DWCF subhead or limit to another--whether intra- or inter-subhead or limit--shall be documented on a Nonexpenditure Transfer Authorization (SF 1151). The SF 1151 prepared to transfer cash from one DWCF subhead or limit to another subhead or limit shall be prominently marked "Internal DoD Subnumbered Account Transfer." Since all intra or inter subhead or limit transfers represent a zero balance transaction for Treasury reporting purposes, all SF 1151 used to

document the intra or inter subnumbered transfers shall not be included in the monthly reports to the Treasury but shall be retained as an audit trail to support these transfer actions. A cash transfer shall not be made that is in excess of the cash balance available at the transferring DWCF activity or installation.

040502. Transfers Between DWCF Subnumbered Treasury Accounts. Cash transfers between the DWCF subnumbered accounts (97X4930.001 through .005) of the DWCF Components are accomplished by the Treasury Department and are requested through a SF 1151. A cash transfer shall not be made that is in excess of the cash balance available in the transferring DWCF subnumbered account.

040503. Transfers of Cash and Associated Budgetary Resources

A. Transfer Out of Cash and Associated Budgetary Resources. The proprietary and budgetary accounting entries to be recorded by the DWCF entity from which cash is transferred are as follows. The budgetary entry to be recorded depends upon whether the budgetary resource associated with the cash transfer is transferred from the departmental-level or from an installation-level. The proprietary entry is the same regardless of the organizational level from which the cash transfer is made.

1. Transfer Out From a Departmental-Level Entity

Dr 5765 Nonexpenditure Financing Sources-Transfer-Out (Cash Transfers)  
 Cr 1010 Fund Balance with Treasury  
 (Funds Disbursed-Operating Program)

Dr 4510 Apportionments  
 Cr 4147 Actual Transfers To Treasury)  
or  
 Cr 4170 Transfers-Current Year Authority  
or  
 Cr 4190 Transfers-Prior Year Balances

2. Transfer Out From an Installation-Level Entity

Dr 5765 Nonexpenditure Financing Sources-Transfer-Out (Cash Transfers)  
 Cr 1010 Fund Balance with Treasury  
 (Funds Disbursed-Operating Program)

Dr 4610 Apportionments  
 Cr 4147 Actual Transfers To Treasury)  
or  
 Cr 4170 Transfers- Prior Year Authority  
or  
 Cr 4190 Transfers- Current Year Balances

B. Transfer-In of Cash and Associated Budgetary Resources. The proprietary and budgetary accounting entries to be recorded by the DWCF entity to which cash is transferred are as follows. The budgetary entry to be recorded depends upon whether the budgetary resource associated with the cash transfer is transferred into the Departmental-level or to an installation-level. The proprietary entry is the same regardless of the organizational level into which the cash transfer is made.

1. Transfer In to a Departmental-Level Entity

Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
 Cr 5755 Nonexpenditure Financing Sources-Transfer-In  
 (Cash Transfers)

Dr 4170 Transfers-Current Year Authority

or

Dr 4190 Transfers-Prior Year Balances  
 Cr 4510 Apportionments

2. Transfer In to an Installation-Level Entity

Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
 Cr 5755 Nonexpenditure Financing Sources-Transfer-In  
 (Cash Transfers)

Dr 4170 Transfers-Current Year Authority

or

Dr 4190 Transfers-Prior Year Balances  
 Cr 4610 Allotments-Realized Resources

040504. Transfers of Cash Without Budgetary Resources

1. Transfer Out From a Departmental-Level Entity or Installation-Level Entity

Dr 5730 Financing Sources Transferred Out Without Reimbursement  
 (Cash Transfers)  
 Cr 1010 Fund Balance with Treasury  
 (Funds Disbursed-Operating Program)

2. Transfer-In to a Departmental-Level Entity or Installation-Level Entity

Dr 1010 Fund Balance with Treasury (Funds Collected-Operating Program)  
 Cr 5720 Financing Sources Transferred In Without Reimbursement  
 (Cash Transfers)

