

APPENDIX A - TRUST FUND ACCOUNTS

<p>Account 1000 Assets</p> <p><u>Debit Balance.</u> This account represents the total FMS Trust Fund Assets. It is a summary account equal to the sum of accounts 1010,1100, and 1310.</p> <p style="text-align: center;">This is a summary account. Do not post to this account.</p>		
<p>Account 1010 Fund Balance with Treasury</p> <p><u>Debit Balance.</u> This account represents the net funds available to the DoD from FMS customer advances. The funds are deposited in account 11X8242. It is a summary account equal to the sum of accounts 1011 and 1012</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 50%;"><u>Debit</u></td> <td style="text-align: center; width: 50%;"><u>Credit</u></td> </tr> </table> <p style="text-align: center;">This account is a summary account. Do not post to this account.</p>	<u>Debit</u>	<u>Credit</u>
<u>Debit</u>	<u>Credit</u>	
<p>Account 1011 Funds Collected</p> <p><u>Debit Balance.</u> This account represents the funds received and on deposit in the Treasury due to payments from FMS customers. Account is subsidiary to Fund Balance with Treasury. Subsidiary ledgers shall be maintained for each FMS country program and include the amount identified as termination liability.</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 50%;"><u>Debit</u></td> <td style="text-align: center; width: 50%;"><u>Credit</u></td> </tr> </table> <p>1. Payments accepted from non-Federal Government activities</p> <p>Contra: 2312</p> <p>2. Collection of receivables.</p> <p>Contra: 1310</p> <p>Source of Entry: Cash collection vouchers, journal vouchers, or automated equivalents.</p>	<u>Debit</u>	<u>Credit</u>
<u>Debit</u>	<u>Credit</u>	

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<p>Account 1012 Funds Disbursed</p> <p><u>Credit Balance.</u> This account represents amount of payments made (net of refunds, erroneous payments, and returns of advances), from the FMS Trust Fund. The account is subsidiary to Fund Balance with Treasury. Subsidiary ledgers shall be maintained for each FMS program.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> <tr> <td style="vertical-align: top;"> <p>1. Refunds received as overpayments.</p> <p>Contra: 1315, 1316</p> </td> <td style="vertical-align: top;"> <p>1. Payments made in execution of the FMS program.</p> <p>Contra: 2312</p> </td> </tr> </table> <p>Source of Entry: Cash disbursement vouchers, journal vouchers, or automated equivalents.</p>		<u>Debit</u>	<u>Credit</u>	<p>1. Refunds received as overpayments.</p> <p>Contra: 1315, 1316</p>	<p>1. Payments made in execution of the FMS program.</p> <p>Contra: 2312</p>
<u>Debit</u>	<u>Credit</u>				
<p>1. Refunds received as overpayments.</p> <p>Contra: 1315, 1316</p>	<p>1. Payments made in execution of the FMS program.</p> <p>Contra: 2312</p>				
<p>Account 1100 Cash</p> <p>Debit Balance. This account represents funds available to the FMS Trust Fund that are not yet deposited in the U.S. Treasury. It is a summary account equal to the amount recorded in account 1110.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> </table> <p style="text-align: center;">This account is a summary account. Do not post to this account.</p>		<u>Debit</u>	<u>Credit</u>		
<u>Debit</u>	<u>Credit</u>				
<p>Account 1110 Undeposited Collections</p> <p>Debit Balance. This account represents the cash held in the Federal Reserve Bank investment and existing commercial bank accounts at the request of the FMS customers. (New commercial bank accounts are not authorized.) Applicable Federal Reserve Bank investment accounts are blocked and cash cannot be withdrawn by the customer. The SAAC can withdraw against the account for deposit to 11X8242 as required to meet Trust Fund requirements; no other payee is authorized. Funds in the account bear interest and the FMS customer is self-insured for any losses. Subaccounts shall be maintained for each FMS Program account.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> <tr> <td style="vertical-align: top;"> <p>1. Collection.</p> <p>Contra: 1313,2312</p> </td> <td style="vertical-align: top;"> <p>1. Deposition of undeposited collection, collections, deposit in Trust Fund.</p> <p>Contra: 2312</p> </td> </tr> </table> <p>Source of Entry: Collection records, certificates of deposit.</p>		<u>Debit</u>	<u>Credit</u>	<p>1. Collection.</p> <p>Contra: 1313,2312</p>	<p>1. Deposition of undeposited collection, collections, deposit in Trust Fund.</p> <p>Contra: 2312</p>
<u>Debit</u>	<u>Credit</u>				
<p>1. Collection.</p> <p>Contra: 1313,2312</p>	<p>1. Deposition of undeposited collection, collections, deposit in Trust Fund.</p> <p>Contra: 2312</p>				

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<p>Account 1310 Accounts Receivable</p> <p><u>Debit Balance.</u> Amounts due from others to the FMS Trust Fund.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> <tr> <td></td> <td style="text-align: center;">This is a summary account. Do not post to this account.</td> </tr> </table>		<u>Debit</u>	<u>Credit</u>		This is a summary account. Do not post to this account.		
<u>Debit</u>	<u>Credit</u>						
	This is a summary account. Do not post to this account.						
<p>Account 1311 Accounts Receivable-Government-Current</p> <p><u>Debit Balance.</u> This account represents the amounts due the FMS Trust Fund from U.S. Government sources. Applicable amounts may result from overpayment of customer funds to an Implementing Agency.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> <tr> <td>1. Amounts of payment. Contra: 2400</td> <td>1. Amount of collections received. Contra: 1011</td> </tr> <tr> <td></td> <td>2. Write-offs of accounts receivable. Contra: 1319</td> </tr> </table> <p>Source of Entry: Cash collection vouchers, DD Form 645 Billing Process.</p>		<u>Debit</u>	<u>Credit</u>	1. Amounts of payment. Contra: 2400	1. Amount of collections received. Contra: 1011		2. Write-offs of accounts receivable. Contra: 1319
<u>Debit</u>	<u>Credit</u>						
1. Amounts of payment. Contra: 2400	1. Amount of collections received. Contra: 1011						
	2. Write-offs of accounts receivable. Contra: 1319						
<p>Account 1313 Accounts Receivable-Public-Current</p> <p><u>Debit Balance.</u> The account represents the amount due the FMS Trust Fund from customers. This is a summary account equal to the sum of accounts 1313.1, 1313.2, and 1313.3.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> <tr> <td></td> <td style="text-align: center;">This is a summary account. Do not post to this account.</td> </tr> </table>		<u>Debit</u>	<u>Credit</u>		This is a summary account. Do not post to this account.		
<u>Debit</u>	<u>Credit</u>						
	This is a summary account. Do not post to this account.						
<p>Account 1313.1 Accounts Receivable-Public-Current (Advances Receivable)</p> <p><u>Debit Balance.</u> The account represents the amount due the FMS Trust Fund from the customers. It is debited when the customer is billed and credited when payment is received. Subaccounts shall be maintained for each FMS country program.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><u>Debit</u></td> <td style="width: 50%; text-align: center;"><u>Credit</u></td> </tr> <tr> <td>1. Amounts earned and billed for goods and services furnished. Contra: 2400</td> <td>1. Amounts of collections received. Contra: 1011</td> </tr> </table> <p>Source of Entry: Cash collection vouchers or DD Form 645 Billing Process.</p>		<u>Debit</u>	<u>Credit</u>	1. Amounts earned and billed for goods and services furnished. Contra: 2400	1. Amounts of collections received. Contra: 1011		
<u>Debit</u>	<u>Credit</u>						
1. Amounts earned and billed for goods and services furnished. Contra: 2400	1. Amounts of collections received. Contra: 1011						

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Account 1313.2
Accounts Receivable-Public-Arrearages

Debit Balance. The account represents the amount by which a country's total accrued costs exceed the country's total cash deposits. Amounts recorded equal the amount of the arrearage plus interest accrued from the date of the arrearage. Countries will be reported as having a "total amount outstanding" (arrearage) in column 3 of the TFS Form 4503 based on accrued expenditures recorded in column 10 exceeding the total of column 13 of the DD Form 645 on a net country basis (adjusted for over-collected cases) plus the country's cash resources (including holding accounts, interest bearing accounts, and undisbursed FMF) or the amount paid on the DSAA supplementary bill as adjusted by the preceding. The account is debited when the arrearage occurs and credited when the arrearage is settled. Subaccounts shall be maintained for FMS country programs with arrearages.

DebitCredit

1. Amounts earned and billed for goods and services furnished.

Contra: 1313.1

2. Interest applied to arrearage amounts.

Contra: 2190

1. Amounts of collections received.

Contra: 1011

Source of Entry: Cash collection vouchers or DD Form 645 Billing Process.

Account 1313.3
Accounts Receivable-Public-Current-Uncollectible

Debit Balance. The account represents the amount due and unpaid by customers which has been officially declared uncollectible. It is credited when resolved and funding identified. Termination cost and interest applied to delinquent accounts will be debited to this account. Subaccounts shall be maintained for each FMS country program in this category. Within 90 days of a determination that a country program is uncollectible, DSAA will request a decision for disposition of the amount recorded from the DoD Comptroller.

DebitCredit

1. Unpaid amounts of goods and services furnished.

Contra: 1313.1, 1313.2

2. Interest applied to unpaid amounts.

Contra: 2190

3. Termination Costs

Contra: 2400

1. Amounts of collections received.

Contra: 1011

Source of Entry: Official correspondence conveying a determination that the debt is uncollectible, documents from the DD Form 645 Billing Process, documents supporting interest calculations, and cash collection vouchers.

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Account 2112 Accounts Payable-Government-NonCurrent	
<p><u>Credit Balance</u>: Represents amounts owed to U.S. Government Agencies or funds that will not be paid with 1 year.</p>	
<p>1. Change in a current payable Contra: 2111</p>	
Account 2113 Accounts Payable-Public-Current	
<p><u>Credit Balance</u>. Amounts due the public from the FMS Trust Fund.</p>	
<u>Debit</u>	<u>Credit</u>
<p>1. Payments liquidating amounts owed.</p>	<p>1. Payment for goods services, and progress payments on FMS cases.</p>
<p>Contra: 1012</p>	<p>Contra: 2312</p>
<p>Source of Entry: RE Transaction (Status of Allotment Report).</p>	
Account 2190 Other Accrued Liabilities	
<p><u>Credit Balance</u>. Represents amounts owed to DoD implementing activities for expenditures on foreign military sales cases for which reimbursement from FMS customers appears doubtful. Includes interest which is accrued on delinquent accounts receivable and payable to the U.S. Treasury.</p>	
<u>Debit</u>	<u>Credit</u>
<p>1. Payments liquidating amounts owed.</p>	<p>1. Payment for goods services, and progress payments on FMS cases.</p>
<p>Contra: 1012</p>	<p>Contra: 2312</p>
<p>Source of Entry: RE Transaction (Status of Allotment Report).</p>	
Account 2310 Advances From Others	
<p><u>Credit Balance</u>. This account represents the amount of unearned cash advances received from FMS customers.</p>	
<u>Debit</u>	<u>Credit</u>
<p>This account is a summary account. Do not post to this account.</p>	

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<p>Account 2312 Unearned Revenue-Advances from Public</p> <p><u>Credit Balance.</u> This account represents cash advances received from FMS customers.</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; width: 50%;"><u>Debit</u></th> <th style="text-align: left; width: 50%;"><u>Credit</u></th> </tr> </thead> <tbody> <tr> <td>1. Payments made on behalf of FMS customers. Contra: 1012</td> <td>1. Amounts received from FMS customers either as initial deposits or collections</td> </tr> <tr> <td>2. Identification of payables. Contra 2112, 2113</td> <td>Contra 1011</td> </tr> </tbody> </table> <p>Source of Entry: Cash collection vouchers, journal vouchers, or automated equivalents.</p>		<u>Debit</u>	<u>Credit</u>	1. Payments made on behalf of FMS customers. Contra: 1012	1. Amounts received from FMS customers either as initial deposits or collections	2. Identification of payables. Contra 2112, 2113	Contra 1011
<u>Debit</u>	<u>Credit</u>						
1. Payments made on behalf of FMS customers. Contra: 1012	1. Amounts received from FMS customers either as initial deposits or collections						
2. Identification of payables. Contra 2112, 2113	Contra 1011						
<p>Account 2400 Liability for Deposit Funds/Suspense Accounts</p> <p><u>Credit Balance.</u> This suspense account represents anticipated FMS cash requirements. It is credited when a customer is billed and debited when payment is made.</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; width: 50%;"><u>Debit</u></th> <th style="text-align: left; width: 50%;"><u>Credit</u></th> </tr> </thead> <tbody> <tr> <td>1. Payment received for deposit in the Trust Fund. Contra: 1313</td> <td>1. Account Receivable recorded for amount billed. Contra: 1313</td> </tr> </tbody> </table> <p>Source of Entry: DD 645 Billing Process</p>		<u>Debit</u>	<u>Credit</u>	1. Payment received for deposit in the Trust Fund. Contra: 1313	1. Account Receivable recorded for amount billed. Contra: 1313		
<u>Debit</u>	<u>Credit</u>						
1. Payment received for deposit in the Trust Fund. Contra: 1313	1. Account Receivable recorded for amount billed. Contra: 1313						
<p>Account 3000 Trust Fund Equity</p> <p><u>Credit Balance.</u> Represents the difference between the assets and liabilities of the FMS Trust Fund. No balance is authorized to be reflected in this account.</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: left; width: 50%;"><u>Debit</u></th> <th style="text-align: left; width: 50%;"><u>Credit</u></th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;"> <p>This account is a summary account. Do not post to this account.</p> </td> </tr> </tbody> </table>		<u>Debit</u>	<u>Credit</u>	<p>This account is a summary account. Do not post to this account.</p>			
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**Account 4132
Contract Authority-With Liquidating Appropriation**

Debit Balance. Represents the amount of contract liquidating authority that has been realized as the result of payments made on FMS cases (orders) by foreign purchasers.

<u>Debit</u>	<u>Credit</u>
1. Amount of contract authority realized.	1. Amount of collections.
Contra: 4131	Contra: 4543

Source of Entry: Collection vouchers or automated equivalents.

**Account 4150
Other New Budget Authority
(Uncommitted Acceptances)**

Debit Balance. Amounts recorded in this account represent uncommitted acceptances pending requests for obligational authority from Implementing Activities. Budget authority is recognized in Treasury Account 97-11X8242, "Advances, Foreign Military Sales, Executive," only to the extent that orders will be executed during the current year.

<u>Debit</u>	<u>Credit</u>
1. Amount of new budget authority enacted but not required in the current fiscal year.	1. Amount of request for obligational authority via a DD Form 2060.
Contra: 4450	Contra: 4131

Source of Entry: FMS Letters of Offer and Acceptance and DD Forms 2060, or automated equivalents.

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Account 4450
Authority Available (for Apportionment)

Credit Balance. Represents the amount of new budget authority available as a result of SAAC's receipt of a signed Letter of Offer and an initial deposit from a foreign military sales customer Trust Funds are exempted from apportionment on DD Form 1105 in accordance with paragraph 412.2.B.5. of DoD 7110.1-M.

Debit

1. Amount of funds transferred to implementing Agencies in the current year.

Contra: 4516

Credit

1. Amount of contract authority (total case value) received.

Contra: 4131

Source of Entry: FMS Letters of Offer and Acceptance and DD Forms 2060 or automated equivalents.

Account 4516
Unallocated Unfunded Contract Authority

Credit Balance. Represents the amount of unfunded contract authority (authorized by accepted customer orders).

Debit

1. Contract Authority

Contra: 4541

Credit

1. Receipt of unfunded allocations. contract authority.

Contra: 4450

Source of Entry: Total of part A of DD Form 2060, or automated equivalent (RBI).

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Account 4541
Allocations Issued Direct Program-Current Year

Credit Balance. Represents the amount of current period, direct program, obligational authority allocated from departmental level to intermediate levels.

DebitCredit

1. Amounts of reductions in allocations issued.

1. Amounts of allocations issued.

Contra: 4516

Contra: 4516

2. Completion of the FMS case.

Contra: 4132

Source of Entry: Total of DD Form 2060, columns 10 and or 11 or automated equivalent.

Account 4580
Allotments Received (Issued to the Implementing Activities)

Debit Balance. Represents the amount of direct program, allotments issued to Implementing Activities. At Trust Fund level it is the amount of budget authority requested by Implementing Activities that has been approved by the SAAC.

DebitCredit

1. Amounts of reductions in allocations issued.

1. Amounts of allocations issued.

Contra: 4516

Contra: 4516

2. Completion of the FMS case.

Contra: 4132

Source of Entry: Total of DD Form 2060, columns 10 and or 11 or automated equivalent.

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**Account 4611
Uncommitted/Unobligated Allotments-Direct (FMS) Program
-Current Period**

Credit Balance. Represents the amount of direct program authority received by the Implementing Activities for the current period, but for which they have not yet reported as committed or obligated.

<u>Debit</u>	<u>Credit</u>
1. Amounts committed. Contra: 4710	1. The amount of direct program obligational authority received by the IAs. Contra: 4580
2. Amounts obligated without a prior commitment. Contra: 4810 4910 4931	

Source of Entry: DD Form 2060, Status of Allotment Report, cash disbursements, or automated equivalent (REI).

**Account 4710
Outstanding Commitments-Direct (FMS) Program**

Credit Balance. Represents the amount of direct (FMS) program unobligated commitments.

<u>Debit</u>	<u>Credit</u>
1. Amounts of other valid obligating documents for which a commitment was made. Contra: 4811	1. Amount of commitments reported by the Implementing Agencies. Contra: 4611

Source of Entry: DD Form 2060, Status of Allotment Report or automated equivalent (REI).

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<p>Account 4811 Undelivered Orders-Without Advance Direct (FMS) Program</p>	
<p><u>Credit Balance.</u> Represents the amount of direct program orders issued without advance payment for goods and services for which delivery or performance has not been reported as having occurred.</p>	
<u>Debit</u>	<u>Credit</u>
<p>1. Amounts of progress payments made or reimbursable obligations reported for undelivered orders.</p>	<p>1. Amounts of orders, contracts, or other obligating documents issued and reported without advance payment to the Implementing Agency</p>
<p>Contra: 4910 4931</p>	<p>Contra: 4710</p>
<p>Source of Entry: DD Form 2060, Status of Allotment or automated equivalent, disbursement documents or automated equivalent accounts payable entries (REI).</p>	
<p>Account 4900 Expended Appropriations</p>	
<p><u>Credit Balance.</u> This account represents amounts paid and unpaid expenditures incurred by the Trust Fund. It is a summary account equal to the sum of Accounts 4910 and 4931.</p>	
<u>Debit</u>	<u>Credit</u>
<p>This account is a summary account. Do not post to this account.</p>	
<p>Account 4910 Accrued Expenditures-Unpaid-Direct Program</p>	
<p><u>Credit Balance.</u> Represents the amount of direct program goods and services reported as received against the FMS program for which payment has not been made by the FMS Trust Fund.</p>	
<u>Debit</u>	<u>Credit</u>
<p>1. Amount of goods and services reported for which payment has been made to the Implementing Agency.</p>	<p>1. Amounts of goods and services reported by the IAs for which payment has not been made.</p>
<p>Contra: 4931</p>	<p>Contra: 4811</p>
<p>Source of Entry: Status of Allotment Report or automated equivalent or accounts payable entries (REI).</p>	

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**Account 4931
Accrued Expenditures-Paid-Direct (FMS) Program**

Credit Balance. Represents the amount of direct programs goods and services reported as received and for which payment has been made.

<u>Debit</u>	<u>Credit</u>
1. Final value of FMS Customer orders completed and reported at case closure.	1. Amounts of goods and services reported for which payment has been made to the IAs.
Contra: 4611	Contra: 4811

Source of Entry: Disbursement documents and automated Status of Allotment Reports, (REI) and Final Case Closure Certificates.