
Terms and Definitions

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Account

A separate financial reporting unit for budget, management, and/or accounting purposes. All budgetary transactions are recorded in accounts, but not all accounts are budgetary in nature. Some accounts do not directly affect the budget but are used purely for accounting purposes. Budget accounts are used to record all transfers within the budget, whereas other accounts (such as deposit fund, credit financing, and foreign currency accounts) are used for accounting purposes connected with funds that are nonbudgetary in nature. The Office of Management and Budget (OMB), in consultation with the Department of the Treasury (Treasury), assigns account identification codes reflecting appropriations as enacted in appropriations laws. Treasury establishes and maintains a system of accounts that provides the basic structure for the *U.S. Standard General Ledger* Chart of Accounts. (See also Accounts in the President's Budget; Accounts for Purposes Other Than Budget Presentation; Credit Reform Act Accounts *under* Federal Credit; *Standard General Ledger* Chart of Accounts.)

Appropriation Account

The basic unit of an appropriation generally reflecting each unnumbered paragraph in an appropriation act. An appropriation account typically encompasses a number of activities or projects and may be subject to restrictions or conditions applicable to only the account, the appropriation act, titles within an appropriation act, other appropriation acts, or the government as a whole. (See also Appropriation Rider; Continuing Appropriation/Continuing Resolution; Line Item; Supplemental Appropriation.)

Account in the President's Budget: Expenditure/Appropriation and Receipt Accounts Classified by Fund Types

Accounts used by the federal government to record outlays (expenditure accounts) and income (receipt accounts) primarily for budgeting or management information purposes but also for accounting purposes. All budget (and off-budget) accounts are

classified as being either expenditure or receipt (including offsetting receipt) accounts and by fund group. Budget (and off-budget) transactions fall within either of two fund groups: (1) federal funds and (2) trust funds.

All federal fund and trust fund accounts are included within the budget (that is, they are on-budget) unless they are excluded from the budget by law. Federal and trust funds excluded from the budget by law are classified as being off-budget. The term off-budget differs from the term nonbudgetary. Nonbudgetary refers to activities (such as the credit financing accounts) that do not belong in the budget under existing concepts, while off-budget refers to accounts that belong on-budget under budget concepts but that are excluded from the budget under terms of law.

Federal Fund Accounts

Budgetary accounts composed of moneys collected and spent by the federal government other than those designated as trust funds. Federal fund accounts include general, special, public enterprise, and intragovernmental fund accounts. (See also *Standard General Ledger Chart of Accounts*.)

General Fund Accounts. Accounts in the U.S. Treasury holding all federal money not allocated by law to any other fund account.

General Fund Receipt Account. A receipt account credited with all collections that are not earmarked by law for another account for a specific purpose. These collections are presented in the President's budget as either governmental (budget) receipts or offsetting receipts. These include taxes, customs duties, and miscellaneous receipts.

General Fund Expenditure Account. An appropriation account established to record amounts appropriated by law for the general support of federal government activities and the subsequent expenditure of these funds. It includes spending from both annual and permanent appropriations.

Intragovernmental Fund Accounts. Expenditure accounts authorized by law to facilitate financing transactions primarily within and between federal agencies.

Intragovernmental Revolving Fund Account. An appropriation account authorized to be credited with collections from other federal agencies' accounts that are earmarked to finance a continuing cycle of business-type operations, including working capital funds, industrial funds, stock funds, and supply funds. According to

the Office of Management and Budget (OMB), collections of intragovernmental revolving fund accounts are derived primarily from within the government. For example, the franchise fund operations within several agencies provide common administrative services to federal agencies on a fee-for-service basis. (*See also Working Capital Fund.*)

Management Fund Account. An account established by the Department of the Treasury (Treasury) that is authorized by law to credit collections from two or more appropriations to finance activity not involving a continuing cycle of business-type operations. Such accounts do not generally own a significant amount of assets, such as supplies, equipment, or loans, nor do they have a specified amount of capital provided—a corpus. The Navy Management Fund is an example of such an account.

Consolidated Working Fund Accounts are a subset of management funds. These are special working funds established under the authority of Section 601 of the Economy Act (31 U.S.C. §§ 1535, 1536) to receive advance payments from other agencies or accounts. Consolidated working fund accounts are not used to finance the work directly but only to reimburse the appropriation or fund account that will finance the work to be performed. Amounts in consolidated working fund accounts are available for the same periods as those of the accounts advancing the funds. Consolidated working fund accounts are shown as separate accounts on the books of Treasury but are not separately identified in the President's budget. Transactions of these accounts are included in the presentation of the appropriation or fund account actually performing the service or providing the materials.

Public Enterprise Revolving Fund Account. A type of revolving fund that conducts cycles of businesslike operations, mainly with the public, in which it charges for the sale of products or services and uses the proceeds to finance its spending, usually without requirement for annual appropriations. Most government corporations are financed by public enterprise funds. (*See Revolving Fund.*)

Special Fund Accounts. Federal fund accounts earmarked by law for a specific purpose.

Special Fund Receipt Account. A receipt account credited with collections that are earmarked by law but included in the federal funds group rather than classified as trust fund collections. These collections are presented in the President's budget as either governmental (budget) receipts or offsetting receipts. (*See also Earmarking.*)

Special Fund Expenditure Account. An appropriation account established to record appropriations, obligations, and outlays financed by the proceeds of special fund receipts. (See also Earmarking.)

Trust Fund Accounts

Accounts designated as “trust funds” by law, regardless of any other meaning of the term “trust fund.” A trust fund account is usually either a receipt, an expenditure, or a revolving fund account. Except in rare circumstances (for example, Indian Trust Funds), a trust fund account imposes no fiduciary responsibility on the federal government. For a fuller discussion of trust funds, see *Federal Trust and Other Earmarked Funds: Answers to Frequently Asked Questions* (GAO-01-199SP). (See also Earmarking.)

Trust Fund Expenditure Account. An appropriation account established to record appropriated amounts of trust fund receipts used to finance specific purposes or programs under a trust agreement or statute.

Trust Fund Receipt Account. A receipt account credited with collections classified as trust fund collections. These collections are recorded as either governmental receipts or offsetting receipts.

Trust Revolving Fund Account. A trust fund expenditure account that is an appropriation account authorized to be credited with collections and used, without further appropriation action, to carry out a cycle of business-type operations in accordance with statute.

Accounts for Purposes Other Than Budget Presentation

Clearing Accounts

Accounts that temporarily hold general, special, or trust fund federal government collections or disbursements pending clearance to the applicable receipt or expenditure accounts.

Deposit Fund Accounts

Nonbudgetary accounts established to account for collections that are either (1) held temporarily and later refunded or paid upon administrative or legal determination as