

T-301

TREASURY DEPARTMENT  
WASHINGTON

STATEMENT REGARDING A SYSTEM OF GENERAL ACCOUNTS FOR  
THE UNITED STATES GOVERNMENT

1954  
Department Circular No. 945

Treasury Department  
Office of the Secretary  
Washington, D. C.

May 11, 1954

Fiscal Service  
Bureau of Accounts

TO HEADS OF GOVERNMENT DEPARTMENTS AND AGENCIES AND OTHERS CONCERNED:

I. PURPOSE OF THIS STATEMENT

1. ~~Under the Budget and Accounting Procedures Act of 1950, the Secretary of the Treasury is required to so organize accounting in the Treasury Department as to provide the operating center for consolidation of accounting results of other agencies with those of the Department, under a unified system of central accounting and financial reporting for the Government as a whole.~~

2. This statement, concerning an accounting plan developed jointly by the Treasury Department, Bureau of the Budget and the General Accounting Office, is issued for the purpose of:

a. Establishing the framework for a unified system of central accounts, as contemplated in the Budget and Accounting Procedures Act of 1950, in relation to the financial reporting and other responsibilities of the Treasury Department concerning the Government's finances; and

b. Providing, for the guidance of all agencies, information concerning changes in underlying accounting processes which are contemplated. ~~Such changes will become effective after the close of the fiscal year 1954 by regulations to be issued by the Treasury Department or General Accounting Office, in their respective areas of responsibility, dealing with the progressive modifications of warrant procedures as authorized in the Budget and Accounting Procedures Act of 1950, particularly with respect to the provisions of Joint Regulation No. 4 issued pursuant thereto on June 30, 1953 by the Secretary of the Treasury and the Comptroller General of the United States.~~

3. Financial reporting requirements already established pursuant to Treasury Department Circular No. 940, dated February 17, 1954, are designed to be coordinate with the accounting plans herein outlined.

## II. ~~PRINCIPAL FEATURES OF THE PLAN~~

~~4.~~ The central accounts maintained by the Treasury Department will disclose the receipts of the Government, by sources, and its expenditures according to each appropriation or fund, together with corresponding data concerning the cash operations of the Treasurer of the United States and the other fiscal officers of the Government. The central accounts will be based on:

a. Monthly summaries of (1) classified receipts and disbursements; and (2) corresponding cash transactions representing collections, deposits in the Treasurer's account, checks drawn on the Treasurer of the United States, and all other cash transactions, as contained in the official accounts of accountable officers;

b. Monthly summaries of deposits and withdrawals in the accounts of the Treasurer of the United States (accounting month basis); and

c. Appropriation and related warrants issued by the Secretary of the Treasury and countersigned by the Comptroller General of the United States, and authorized transfers between appropriation accounts initiated by the agencies which administer the appropriations.

The receipts and expenditures carried in these accounts will be integrated with the cash in the Treasury, taking into account those amounts of cash as of the close of each month which are represented by:

(1) Cash held outside the Treasurer's account in the custody of accountable officers;

(2) Deposits in transit from accountable officers to the Treasurer; and

(3) Checks drawn on the Treasurer which are outstanding (i.e., unpaid).

~~5.~~ The official accounts of the disbursing officers of each disbursing agency will be maintained on the basis of:

a. Credits in checking accounts on the books of the Treasurer of the United States in amounts administratively established by the Treasury Department within the aggregate of appropriations and

funds available to the related administrative agency or agencies; 1/ and

b. Transactions involving the payment and collection of money, resulting in the following concept of accountability:

(1) Increases of accountability for (a) checks drawn on the Treasurer; and (b) cash collections (receipts and repayments) with supporting classifications according to appropriations, funds and receipt accounts at the levels of the individual disbursing stations or the disbursing agency as a whole; and

(2) Decreases of accountability for (a) gross amounts of disbursements less related receipts or repayments by deduction from paid vouchers, likewise classified according to appropriations and funds, and receipt accounts; and (b) cash deposited in the Treasurer's account.

In the final analysis, the accountability of disbursing officers will be represented by amounts of cash withdrawn from the Treasury or collected from other sources and held in their custody, including funds held by their agents and by designated commercial depositories for their account, and amounts receivable from others by reason of any transactions involving reductions of the Government's cash which are not based upon charges to appropriations or funds duly certified.

~~6:~~ ~~Disbursing officers will no longer be required to render accounts in terms of balances of appropriations and funds, either individually or in the aggregate.~~ This modification, together with the funding of checking accounts solely on the basis of credits by administrative action of the Treasury Department, as indicated in paragraph 5a above, establishes the basis for eliminating from disbursing processes the funding transactions outlined below, none of which has any effect on the receipts and disbursements of the Government. Collaterally, the drawing of checks on the Treasurer for these funding transactions and the deposit of such checks in the Treasurer's account, presently required because checking accounts are kept at the same level as undisbursed balances for portions of appropriations and funds established at individual disbursing stations, will be discontinued. These several non-expenditure funding transactions are outlined below.

a. Credits in Accounts of Funding Officers. Amounts of appropriation warrants will continue to be recorded in the central accounts of the Treasury and in the administrative accounts of the

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1/ Exceptions to this method of funding checking accounts may be authorized at the outset with respect to checking accounts on the Treasurer's books for disbursing officers of Government corporations and the Post Office Department.

agencies responsible for administering the appropriations, but will no longer be taken into the accounts of funding and disbursing officers. The credits established by the Treasury Department in the checking account for each disbursing agency's funding officer will be within the aggregate of, but not necessarily equal to, the related appropriation warrants. Such credits will be established on the books of the funding officer as the check book limitation for the disbursing agency, with corresponding credit to an over-all undisbursed account. Additional credits will be authorized periodically to provide check book limitations for the aggregate of transactions which increase the balances of appropriation and fund accounts available for disbursement, such as repayments, but which will no longer be credited to checking accounts, as hereinafter outlined. The foregoing will replace the present practice of establishing, on the books of funding officers, undisbursed balance accounts for individual appropriations with a corresponding aggregate check book credit.

b. Transfers of funds between funding accounts and disbursing station accounts. Funding officers will authorize the Treasurer to transfer lump sum credits from their checking accounts to the checking accounts for the underlying disbursing stations, without the use of Treasury checks and related deposits for this purpose. The amounts established in checking accounts and related undisbursed accounts for transfers received at the disbursing stations will correspond to the amounts transferred out on the books of the funding officer, within the same accounting period. These transfers will be on the basis of check book requirements estimated for a fiscal year, or for a lesser period, if justified. There will be no relationship between the amounts of these transfers and the amounts which related administrative agencies distribute to their field fiscal installations to control the approval of vouchers for payment according to individual appropriations. Accordingly, transfers presently made in disbursing accounts according to individual appropriations and field fiscal offices pursuant to Treasury Forms 1669 applicable to the Division of Disbursement, and comparable forms of other disbursing agencies, will be discontinued.

c. Non-expenditure transfers between appropriations. Vouchers effecting non-expenditure transfers between appropriations (Standard Form No. 1151) will continue to be prepared and recorded by the administrative agencies concerned, but will be submitted directly to the Treasury Department for entry in the central accounts without passing through the operations of disbursing officers. In lieu of the issuance and deposit of negotiable checks for these transfers, presently required when the charges and credits affect two different disbursing accounts, all such vouchers will be handled by the Treasury Department as counter checks, on the same basis established in General Accounting Office Accounting Systems Memorandum No. 9-Second Revision, dated December 11, 1950, and both sides of the transfer will be reflected in the same accounting period.

d. Disposition of unexpended balances of appropriations.

For the most part, unexpended balances of appropriation accounts are for credit to the certified claims appropriation and are presently disposed of by non-expenditure transfers pursuant to Form 1151 vouchers. Such transfers will continue to be so handled, without relation to disbursing accounts as indicated in the preceding paragraph. In addition, the same procedures will be used for all other non-expenditure transfers, including those for credit to receipt accounts or other appropriation accounts.

~~7. In the light of the foregoing, the practice of crediting deposits to checking accounts of the disbursing agencies concerned, pursuant to Standard Form 209 certificates, will be discontinued. Further, since the central receipt accounts will be kept on the basis of the miscellaneous, special fund and trust fund receipts classified in support of the official accounts rendered by disbursing officers, the separate deposits of receipts on Standard Form 201 certificates will be discontinued. Both types of deposit will be merged into a single certificate evidencing transfer of the custody of cash to the Treasurer of the United States whether the underlying credits relate to appropriations, funds, receipts or other accounts.~~

a. Certificates of deposit prepared by administrative agencies for deposits made directly in Federal depositories in relation to the official accounts rendered by disbursing officers of the Division of Disbursement, pursuant to Treasury Department Circular No. 937, dated January 18, 1954, will furnish a classification according to appropriation, fund, or receipt account. For all other disbursing agencies whose collections are classified in support of the official accounts of disbursing officers, the certificates of deposit will not be so classified. In all cases, the certificates will be identified as to the disbursing agency and station concerned, serving as the basis for integrating the cash relationship between the disbursing accounts and the account of the Treasurer of the United States.

b. Amounts of vouchers paid which are for credit, in whole or in part, to receipt accounts will be picked up as receipts in the disbursing accounts without drawing checks on the Treasurer for deposit into the Treasury, in the manner presently applicable to voucher deductions which represent repayments to appropriations or funds.

~~8. With respect to expenditure transfers between accounts within the Government, which affect two different disbursing stations (of the same or different disbursing agencies), procedures will be established whereby the intra-Government transfers will be coordinated by use of a transit account through central accounting processes. Certain exceptions to this procedure may be necessary with respect to unusual transactions. Such transit account procedure would be established with a view to:~~

a. Recording the intra-Government transaction (1) as a disbursement in the accounts of the disbursing station concerned, without the drawing of a check on the Treasurer; and (2) as a corresponding receipt or repayment in the accounts of the appropriate disbursing station, without deposit action; and

b. Disclosing through the central transit account the total credits for intra-Government transfers which may not have been recorded in the accounts of the disbursing stations concerned as of the close of the same accounting period in which the corresponding charges were recorded.

9. ~~The integration between the central accounting of the Treasury and the accounting of the various administrative agencies, for each appropriation, fund and receipt account as a whole, will be on the basis of (a) appropriation warrants and related transfers; and (b) summarizations of the receipts and disbursements supporting the official accounts of the related disbursing offices or of the disbursing agency, as a whole.~~

a. The accounts which are maintained on the books of the fiscal offices of administrative agencies to control the amount of vouchers to be authorized for payment, according to individual appropriations and funds, will be integrated with the official accounts rendered by the related disbursing offices on the basis of the classified receipt and disbursement transactions for the period which support such accounts and which, in turn, are summarized for the central accounts.

b. Since the statements of transactions supporting the official accounts rendered by disbursing officers will include receipts, according to individual receipt accounts, the integration between such accounts and the receipt accounts of the administrative agency fiscal offices will be on the same basis as the integration for appropriations and funds.

c. Amounts of receipts, as well as repayments, which are included in the statements of transactions on the basis of certificates of deposit, will be supported by lists identifying the underlying certificates.

d. In view of the foregoing, the departmental deposit lists and fiscal officers' registers of deposits presently issued on the basis of Form 201 deposits cleared centrally in the Treasury will be discontinued.

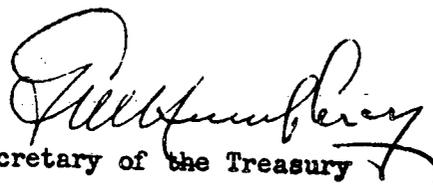
10. Cash collections will be recorded in the official accounts of disbursing offices on the basis of (a) collections received, where disbursing officers handle collections; or (b) confirmed deposits in the account of the Treasurer of the United States, where collections are deposited directly in Federal depositories by the collecting administrative agencies.

a. Amounts of collections received by disbursing offices will be charged to the appropriate cash account representing the increase in the officer's accountability and correspondingly credited as a receipt or repayment. Accountability for such cash will be decreased by amounts of (1) deposits in the Treasurer's account; or (2) cash disbursements made, if the disbursing officer is authorized to hold collections as disbursing cash.

b. Amounts of collections deposited by collecting agencies directly in Federal depositories, on the basis of confirmed certificates of deposit, will be recorded in the accounts of the related disbursing offices as receipts or repayments and correspondingly charged to the account representing deposits in the Treasurer's account.

### III. ISSUANCE OF INSTRUCTIONS

Regulations of the Treasury Department within the framework of this statement will be issued by the Fiscal Assistant Secretary of the Treasury. Any questions concerning the plans discussed herein should be directed to the Bureau of Accounts.

  
Secretary of the Treasury

Schedule No. 1

Reconciliation of  
Accounts Current Transactions  
with Field Office Fund Accounts

Unavailable and General Fund Accounts

Fund Symbol No. 140710

<u>Blank National Park, Richmond, Va.</u>	<u>14-10-149</u>
Field Station Name and Location	Station Number

Month of August 1954

Balance Per Books (end of Prior Month)		\$10,000.00
Add:		
Deposits per Accounts Current	\$9,165.00	
Deduct:		
Items in transit end of last month included in Accounts Current this month	<u>1,000.00</u>	
Reported Deposits of this month's Transaction	10,165.00	
Add:		
Items in transit end of this month (Itemized below)	<u>1,025.00</u>	
Deposits per Books		<u>11,190.00</u>
Balance per Books August 31, 1954		<u>\$21,190.00</u>

Detail of In Transit Items

<u>C.D. No.</u>	<u>Date</u>	<u>Amount</u>
14-10-149-6	8-28-54	\$75.00
14-10-149-7	8-28-54	900.00
14-10-149-8	8-29-54	25.00
14-10-149-9	8-30-54	<u>25.00</u>
Total In Transit Items .....		<u>\$1,025.00</u>

Note: There may be other types of in transit or adjustment items not illustrated above but which must be taken into consideration in the reconciliation.

Schedule No. 2Reconciliation of  
Accounts Current Transactions  
with Field Office Fund AccountsAppropriated or Available Fund AccountsFund Symbol No. 1451034Blank National Park, Richmond, Va.  
Station Name and Location14-10-149  
Station NumberMonth of August 1954

Balance per Books (end of Prior Month)		\$120,099.00
Add:		
Deposits per Accounts Current	\$250.00	
Deduct:		
Items in transit end of last month included in Accounts Current this month	<u>100.00</u>	
Reported deposits this month's transactions	150.00	
Add:		
Items in transit end of this month (Itemize below <u>1/</u> )	<u>350.00</u>	
Deposits this month per books		<u>500.00</u>
Total		\$120,599.00
Deduct:		
Disbursements per Accounts Current	9,956.00	
Deduct:		
Items in transit end of last month included in Accounts Current this month	<u>550.00</u>	
Reported disbursements this month's transactions	9,406.00	
Add:		
Disbursements in transit (Itemize below <u>1/</u> )	<u>1,224.00</u>	
Disbursements this month (per books)		<u>10,630.00</u>
Balance per Books August 31, 1954		<u>\$109,969.00</u>

1/ See attached Schedules 2(a) and 2(b).

Note: There may be other types of in transit or adjustment items not illustrated above but which must be taken into consideration in the reconciliation.

Schedule No. 2(a)Detail of In Transit Items

<u>Deposits</u>		
<u>C.D. No.</u>	<u>Date</u>	<u>Amounts</u>
14-10-149-10	8-28-54	\$100.00
14-10-149-11	8-29-54	75.00
14-10-149-12	8-30-54	125.00
14-10-149-13	8-31-54	<u>150.00</u>
Total Deposits In Transit		<u>\$350.00</u>

Schedule No. 2(b)Detail of In Transit Items

<u>Disbursements</u>		
<u>Voucher Schedule Number</u>	<u>Date</u>	<u>Amounts</u>
14-10-149-15	8-26-54	\$100.00
14-10-149-16	8-26-54	250.00
14-10-149-17	8-28-54	800.00
14-10-149-19	8-30-54	50.00
14-10-149-20	8-31-54	<u>24.00</u>
Total Disbursements in Transit		<u>\$1,224.00</u>

Schedule No. 3

UNITED STATES  
DEPARTMENT OF THE INTERIOR

Bureau or Office

Summary Statement of Reconciliation of Account Current Transactions  
with Field Office Fund Accounts

Blank National Park  
Name of Field Station

Month of August 1954

14-10-149  
Station Number

Regional Disbursing Officer  
Disbursing Officer

Richmond, Va.  
Location

405  
D. O. Symbol

Appropriation or Fund Symbol No.	Balance Close of Last Report Per Books	Total Transactions Per		Analysis of In Transit Items				Balance Close of This Report Per Books
		Accounts Current Collections	Disbursements	Collections		Disbursements		
				Last Month Included in Amount in Col. 3	This Month	Last Month Included in Amount in Col. 4	This Month	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1441033	\$3,085.00	--	\$795.00	--	--	--	\$100.00	\$2,190.00
1441034	5,429.00	\$505.00	1,205.00	--	\$75.00	--	--	4,804.00
1451033	100,721.00	--	2,620.00	--	--	--	806.00	97,295.00
1451034 <sup>1/</sup>	120,099.00	250.00	9,956.00	\$100.00	350.00	\$550.00	1,224.00	109,969.00
14X6875	2,090.00	445.00	575.00	--	65.00	--	--	2,025.00
14F0101	2,740.00	875.00	2,740.00	--	--	--	--	875.00
1407102 <sup>2/</sup>	10,000.00	9,165.00	--	1,000.00	1,025.00	--	--	21,190.00

Formula for Proof

$$\text{Col. 2} + (\text{Col. 3} - 5 + 6) - (\text{Col. 4} - 7 + 8) = \text{Col. 9}$$

<sup>1/</sup> See Schedule No. 2

<sup>2/</sup> See Schedule No. 1

Date a/c Received \_\_\_\_\_

Date a/c Forwarded to GAO \_\_\_\_\_

Date This Report \_\_\_\_\_

Signature of Forwarding Officer \_\_\_\_\_

Note: There may be other types of in transit or adjustment items not illustrated above but which must be taken into consideration in the reconciliation.

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