



**FSM 6500 – FINANCE AND ACCOUNTING**

**CHAPTER 6510 – APPROPRIATIONS AND FUNDS**

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**Approved:** TINA TERRELL  
Associate Deputy Chief, NFS

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**Posting Instructions:** Amendments are numbered consecutively by title and calendar year. Post by document; remove the entire document and replace it with this amendment. Retain this transmittal as the first page(s) of this document. The last amendment to this title was 6500-2017-2 to FSM 6510.

<b>New Document</b>	6510	24 Pages
<b>Superseded Document(s) by Issuance Number and Effective Date</b>	6510 (Amendment 6500-2017-2, 12/21/2017)	24 Pages

**Digest:**

6510.42 – Changes caption from “Regions, Forests, Stations, Area, International Institute of Tropical Forestry (IITF), Forest Products Laboratory, and Job Corps Centers” to “Regions, Forests, Stations, Area, International Institute of Tropical Forestry (IITF), Forest Products Laboratory, National Technology & Development Program, Geospatial Technology & Applications Center, and Job Corps Centers.”

6510.42c – Establishes code, caption, and sets forth direction to the National Technology & Development Program Director and Geospatial Technology & Applications Center Director to receive appropriations and execute program budgets.

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### **6510.1 - Authority**

In addition to the references listed in this section, additional reference material regarding appropriation uses is listed in section 6511.

1. Comptroller General Decisions. The text of these decisions illustrates the application of appropriations law principles to actual operations, in response to questions posed in writing to the Comptroller General (<https://www.gao.gov/legal/>).
2. Government Accountability Office (GAO) Publication, “Principles of Federal Appropriation Law”. This publication, commonly called “The Red Book”, provides guidance on reference to specific legal authorities to illustrate the principles discussed, their application, statutory provisions, and other relevant sources (<http://www.gao.gov/legal/index.html>).
3. Office of Management and Budget (OMB) Circulars and Bulletins. Use these circulars and bulletins for fund control guidelines. OMB Circular A-45, “Rental and Construction of Government Quarters”, pertains to possessory interest taxes charged to employees occupying government furnished housing. <https://www.whitehouse.gov/omb/information-for-agencies/circulars>
4. Title 41, Code of Federal Regulations, Part 102–74, Section 410. This authority describes allowable activities on Federal property such as charity fund drives and recognized Federal employee associations.
5. Title 7, United States Code, 8306, The Animal Health Protection Act. This authority describes allowable activities during an emergency declared by the Secretary of Agriculture.
6. Title 31, United States Code, sections 1301, 1341, 1342, 1502 1517, 3302, and Title 18 United States Code, section 209 (31 U.S.C. 1301, 1341, 1342, 1502, 1517, 3302, and 18 U.S.C. 209). These sections set forth the statutory requirements for the legal expenditure of appropriations. Anti-Deficiency Act provisions are in 31 U.S.C. sections 1315 and 1517.
7. Title 31, United States Code, section 7701 (31 U.S.C. 7701). This section codifies the Debt Collection Improvement Act of 1996 which requires Federal agencies to obtain taxpayer identification numbers from all parties doing business with the Federal Government. The taxpayer identification numbers enables the U.S. Treasury to perform delinquent debt collection by administrative offset.
8. Title 42, United States Code 5121, The Robert T. Stafford Disaster Relief and Emergency Assistance Act. This authority describes allowable activities during an emergency declared by the President.

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9. United States v. County of San Diego, 965 F.2d 691 (9th Cir. 1992). In this U.S. Supreme Court case, the Court has held that the imposition of a possessory use tax on the occupancy rights of a tenant occupying government-furnished housing is a valid exercise of the taxing power of a State and its political subdivisions.

### **6510.2 - Objectives**

1. Obligate and expend appropriations and funds in compliance with applicable laws.
2. Incorporate appropriate techniques in the Agency budget and accounting systems to achieve fund control objectives set by the Office of Management and Budget (OMB), the U.S. Treasury, the Government Accountability Office (GAO), and the U.S. Department of Agriculture (USDA).
3. Provide a description and intended use of each Forest Service appropriation, fund, and its limitations.
4. Establish immediate Agency core accounting system annual recordation of apportionment from OMB, along with necessary system controls to ensure accurate and current fund status.

### **6510.3 - Policy**

Annual OMB apportionment of appropriated funds must be documented in the Agency core accounting system immediately upon receipt from OMB to allow subsequent expenditure of funds in line with OMB's apportionment direction. Additionally, necessary internal controls must be incorporated into the Agency core accounting system to manage day-to-day use of Agency funds, while ensuring fund status remains readily current and available, expenditure protocols are being adhered to, and fund discrepancies, such as Anti-Deficiency Act (ADA) violations, do not occur.

Employees shall obligate and expend appropriations and funds in compliance with legal requirements governing the purpose, amounts, manner, and timing of the obligation and expenditure, consistent with the Government Accountability Office, Office of Management and Budget, U.S. Treasury, USDA, and Forest Service fund control standards.

### **6510.31 - Work Financing Principle**

Finance resource work to achieve ecological restoration, integrating programs to include components of cross-Deputy Area programs where required. Take a holistic approach to all management activities to leverage funds and work effectively at a landscape scale, in accordance with Appropriations Law.

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The Work Financing Principle is in concert with maximizing the use of Agency funds in accordance with appropriations law that allows for more effective and efficient delivery of integrated programs and projects at landscape levels. This approach ensures the ability to address the health and sustainability of National Forests and Grasslands.

Focusing on the landscape scale resource accomplishments to be achieved, select fund(s) and program(s) to finance resource work by following direction in the respective fiscal year appropriations act (or continuing resolution or supplemental appropriation act), and guidance in the Program Direction and Budget Justification. Emphasis is on achieving ecological restoration and integrating programs through collaboration and partnerships.

Units should develop their program of work using the Work Financing Principle, plan their budget to fund this program of work appropriately, and then communicate plans and expectations to employees. Being proactive will help maximize the Agency's allocations in accordance with appropriations law and will allow our budget community to provide critical oversight to insure that integrity is built into the process. This will allow the Agency to be more effective in the delivery of mission activities and programs.

### **6510.32 - Charge as Worked**

(See sec. 6510.31).

All costs must be charged to the program or activity on which work was performed, not planned (see FSH 6509.11g Zero Code).

### **6510.33 - Using the Correct Appropriation and Fund**

Follow these requirements to help ensure the integrities of appropriation and other fund use:

1. Apportionment and Chief Financial Officer Act Requirements. Charge and report work using the appropriate Treasury symbol.
2. Budget Line Items. Charge and report work using the appropriate budget line item, commonly called program funds.
3. Accounting and Budget Reporting. Record and report costs using the Work Financing Principle to determine the appropriate fund and program to charge.

### **6510.4 - Responsibility**

All Managers, whether line or staff, are responsible for providing controls and supervision to ensure the legal use of appropriations, special receipts, appropriation refunds, reimbursements, donated funds, and any other Agency funds controlled by their unit or program area.

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## **6510.41 - Washington Office**

### **6510.41a - Chief**

The Chief is responsible for ensuring controls and supervision are in place over the legal use of appropriations and other funds.

### **6510.41b - Deputy Chiefs**

It is the responsibility of the Deputy Chiefs to:

1. Ensure appropriations and other funds are used and controlled in compliance with legal requirements and Agency policy.
2. Obtain guidance on appropriation use from the Director of Financial Policy, through the Chief Financial Officer (CFO).

### **6510.41c - Deputy Chief, Business Operations**

In addition to the responsibilities listed in sec. 6510.41b, the Deputy Chief for Business Operations is responsible for:

1. The Job Corps National Field Office and the Job Corps Civilian Conservation Centers (FSH 1809.12); and
2. Overall budget formulation, presentation, and execution. Serves as the primary coordinator with Office of Management and Budget (OMB), U.S. Department of Agriculture (USDA), and Agency staffs.

### **6510.41d - Chief Financial Officer**

It is the responsibility of the Chief Financial Officer (CFO) to:

1. Ensure all Agency appropriations, including those specific to the CFO organization, are used and controlled in compliance with legal requirements and Agency policy.
2. Issue policies regarding the use of appropriations and other funds within the Agency.
3. Refer unresolved appropriation issues to the Director of Financial Policy for resolution.
4. Ensure necessary and required system and internal controls are in place within the Agency core accounting systems or Agency applicable automated or manual tools to ensure fund controls are in place and in compliance with the ADA.

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5. Ensure the appropriate Agency report is accomplished on any ADA violations, through the Agency head, Department, and onto GAO.

**6510.41e - Director, Budget and Finance**

It is the responsibility of the Director of Budget and Finance (B&F) to:

1. Ensure all Agency accounting and budget transactions are documented in the Agency core accounting system or related subsystems, and accounted for, reported, and managed in accordance with OMB and U.S. Treasury direction. These accounting events must ensure compliance with legal requirements and Agency policy.
2. Set standards so that budget and accounting transactions are processed in an accurate manner within the time frame defined by B&F processing standards, resulting in periodic financial reports being reliable and complete. These standards must meet criteria established by OMB, U.S. Treasury, USDA, and other applicable requirements.
3. Obtain guidance on appropriation use from the Director of Financial Policy.
4. Obtain guidance on budgetary processes from the Director of Strategic Planning, Budget, and Accountability (SPBA).
5. Record the apportionments and allocations in the Agency core accounting system based on direction provided by SPBA.
6. Coordinate with other Agency accounting, budget, and program staff to ensure current and complete status of funds is available to management and applicable staff in the Agency core accounting system.

**6510.41f - Director, Financial Policy**

The Director of Financial Policy is the official Agency source on appropriation use guidance. Therefore, it is the responsibility of the Director of Financial Policy to:

1. Provide assistance and advice on appropriation and fund use matters.
2. Manage Agency directives related to appropriation and fund use matters.

**6510.41g - Director, Strategic Planning and Budget Accountability (SPBA)**

In addition to the responsibilities outlined in FSM 1930, it is the responsibility of the Director of SPBA to:

1. Formulate and request annual Agency budgetary directions from OMB.



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2. Immediately, upon receipt of OMB's approved apportionment, generate documentation to support recording the following into the Agency core accounting system:
  - a. Apportionment levels as directed and required by OMB for the Agency to expend funds to accomplish its mission; and
  - b. Agency allocations in accordance with apportionment received and in concert with OMB A-11, Section 150.
3. Ensure postings in the Agency core accounting system reflect approved apportionment levels and direct adjustment as required.
4. Continually manage the Agency apportionment process to accomplish the Agency mission.
5. Provide guidance on budgetary processes and related topics.

**6510.41h - Washington Office Staff Directors**

1. Staff Directors. It is the responsibility of all Staff Directors to:
  - a. Ensure appropriated funds are used and controlled in compliance with legal requirements and Agency policy;
  - b. Obtain guidance on appropriation use from the Director of Financial Policy;
  - c. Ensure that appropriated funds expenditures are reasonable and necessary; and
  - d. Ensure that fund status is monitored continually to prevent deficit spending and possible ADA violations.
2. Director of Fire and Aviation Management. In addition to the responsibility described in paragraph 1, the Director of Fire and Aviation Management is responsible for activities related to the licensing of the Smokey Bear program.
3. Director of Conservation Education. In addition to the responsibility described in paragraph 1, the Director of Conservation Education is responsible for activities related to the licensing of the Woodsy Owl program.
4. Director of the Office of Communication. In addition to the responsibility described in paragraph 1, the Director of the Office of Communication is responsible for activities related to the licensing of the Forest Service Insignia (shield).

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5. Director of Recreation, Heritage, and Volunteer Resources. In addition to the responsibility described in paragraph 1, the Director of Recreation, Heritage, and Volunteer Resources is responsible for activities and operations of the National Recreation Reservation Service (NRRS).
6. Director of Engineering. In addition to the responsibility described in paragraph 1, the Director of Engineering is responsible for activities related to:
  - a. The Environmental Compliance and Protection program, including the USDA Hazardous Materials Management Account, and
  - b. The programs funded by the Federal Highway Administration transfer appropriations, such as, Treasury Symbol 12–69X8083 and 12–69X0500.

**6510.42 - Regions, Forests, Stations, Area, International Institute of Tropical Forestry (IITF), Forest Products Laboratory, National Technology & Development Program, Geospatial Technology & Applications Center, and Job Corps Centers**

**6510.42a - Line Officers**

All Line Officers are responsible for:

1. Ensuring that use and control of appropriations complies with legal requirements and Agency policy;
2. Obtaining appropriation use guidance through the following channels, in order of precedence: the local Budget Officer, the Regional or Station or Area/Institute Budget Director, and the Director of Financial Policy. In cases where the issue is not normal practice and requires higher level clarification and/or interpretation, the Director of Financial Policy is the official Agency source on appropriation use guidance;
3. Collaborating on matters pertaining to the protection of experimental areas; and
4. Ensuring submission of claims documentation, in accordance with the requirements in FSM 6570 and FSH 6509.11h, chapter 30, to ensure due process of claims and adjudication of related claims settlements. If the claims pertain to Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), or the Resource Conservation and Recovery Act (RCRA), contact the Director of Engineering for information about claim processing.

**6510.42b - Staff Officers (Field)**

This section applies to all Staff Officers in Field-based units:

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1. Staff Officers. All Staff Officers are responsible for the following, within their purview:
  - a. Ensuring appropriation use and control are in compliance with legal requirements, such as appropriation law and statutory law, and Agency policy (see sec. 6510.1, and sec. 6511).
  - b. Ensuring that fund status is monitored continually to prevent deficit spending and possible ADA violations.
  - c. Obtaining appropriation use guidance through the following channels, in order of precedence: the local Budget Officer, the Regional or Station or Area/Institute Budget Director, SPBA, and the Director of Financial Policy. In cases where the issue is not normal practice and requires higher level clarification and/or interpretation, the Director of Financial Policy is the official Agency source on appropriation use guidance.
2. Budget Directors. Budget Directors are responsible for providing Field Line Officers and staffs with budgetary assistance and advice on legal and policy guidelines for commonly established appropriation use and for obtaining clarification and further guidance from SPBA and the Director of Financial Policy.

**6510.42c – National Technology & Development Program Director and Geospatial Technology & Applications Center Director**

The National Technology & Development Program Director and Geospatial Technology & Applications Center Director have the authority and responsibility to:

1. Ensure that use and control of appropriations complies with legal requirements and Forest Service policy.
2. Obtain appropriation use guidance through the following channels, in order: the local Budget Officer, the Washington Office Senior Program Specialist, and the Washington Office Chief Financial Officer. In cases where the issue is not normal practice and requires higher level clarification and/or interpretation, the Washington Office Director of Financial Policy is the official agency source on appropriation use guidance.
3. Ensure timely submission of claims documentation to the Albuquerque Service Center-Budget & Finance Claims Branch to ensure due process of claims and adjudication of related claims settlements.

This authority is re-delegable down to supervisory personnel.

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## **6510.5 - Definitions**

Appropriation. An Act of Congress that authorizes an agency to obligate and make payments from the Treasury for specified purposes, amounts, manner, and timing. The term is used to define all classes of money available for use by the Forest Service and is not limited to those contained in the annual Interior and Related Agencies Appropriation Act.

Appropriation Use. General rules and principles that govern the charging of appropriations. These rules and principles are based on annual appropriation acts and other statutes, regulations issued by other Federal entities such as the U.S. Treasury or OMB, and actual case precedents issued as Comptroller General Decisions by GAO.

Apportionment. The action by which the OMB distributes amounts available for obligation in an appropriation account. The distribution makes amounts available on the basis of specified time periods (such as fiscal quarters, or full year), programs, activities, projects, objects, or combinations thereof. The apportionment system is intended to achieve an effective and orderly use of funds. The amounts so apportioned limit the obligations that may be incurred. The primary purposes of the apportionment process are to (1) achieve the most effective and economical use of amounts made available, and (2) prevent agencies from obligating funds in a manner that would result in a deficiency or require a supplemental appropriation.

Budget Clearing Accounts. Accounts set up to hold temporarily general, special, or trust collections that subsequently will be credited to the proper receipt or expenditure account. For example, the Budget Clearing account is U.S. Treasury Symbol 12F3875.

Budget Line Item. The minimum level of reporting that is necessary for external reports to the OMB, the U.S. Treasury, and the Congress.

Dedicated Collections. The Federal Accounting Standards Advisory Board requires special disclosure in the audited financial statements, of all special and trust funds meeting all three stated criteria. The criteria are: (1) an underlying statute requiring the funds be used for a designated purpose; (2) explicit authority to retain revenues and other financing sources for future periods; and (3) requirements for accounting and reporting that distinguish the fund from general revenues.

Deposit Fund Accounts. These are U.S. Treasury accounts established to account for collections that are either held temporarily and later refunded or paid upon administrative or legal determination as to the proper disposition, or held by the Forest Service and paid out at the direction of the depositor. For example, the Timber Sale Deposit Fund is U.S. Treasury Symbol, 12X6500.

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General Fund Expenditure Accounts. Appropriation accounts established to record amounts appropriated by Congress in the annual appropriation act. For example, the National Forest System appropriation is a general fund and the expenditure U.S. Treasury Symbol is 12701106 with a period of availability from FY2017 - FY2020.

General Fund Receipt Accounts. Federal fund accounts credited with collections that are not designated by law for a specific purpose, such as, the Miscellaneous Receipts account is a general fund accounted for under U.S. Treasury Symbol, 123220. All general fund receipt accounts have funds that are numerically identified in the core accounting system.

Revolving Fund Account. Accounts authorized by specific provisions of law to finance a continuing cycle of business-type operations. Receipts are credited directly to the fund and are available for expenditure without further action by Congress, such as the Working Capital Fund, U.S. Treasury Symbol 12X4605.

Special Fund Expenditure Accounts. Appropriation accounts established to record appropriated amounts of special fund receipts to be expended in accordance with specific provisions of law, such as the Salvage Sale Fund, U.S. Treasury expenditure account 12X5204.

Special Fund Receipt Accounts. Accounts credited with collections that are designated by law for a specific purpose. For example, the Salvage Sale Fund's U.S. Treasury receipt account is 125204.

Specific Appropriation. A specific appropriation occurs when a law authorizes funds to be used for a particular purpose. If an agency has a specific appropriation for a particular item, and also has a general appropriation broad enough to cover the same item, it does not have an option as to which to use. It must use the specific appropriation.

Transfer Funds. Transfer funds are established to receive and disburse allocations and certain transfers, including adjustments, from other Federal agencies. These accounts carry the U.S. Treasury symbol identified with the original appropriation or fund. The Federal agency transferring the funds is known as the "parent agency"; the agency receiving the transfer fund is the "child", such as, the Forest Service has a child account from the Department of Transportation, U.S. Treasury Symbol, 12-69X8083, the Federal Highway Trust Fund.

Trust Fund Expenditure Accounts. Appropriation accounts established to record amounts of trust fund expenditure designated to finance specific purposes or programs under a trust agreement or statute, such as, the Cooperative Work, Forest Service fund (which includes the Knutson-Vandenberg Trust), U.S. Treasury Symbol 12X8028.

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Trust Fund Receipt Accounts. Accounts credited with collections generated by the terms of a work agreement or statute, such as, the Cooperative Work, Forest Service fund (which includes the Knutson–Vandenberg Trust), U.S. Treasury receipt account 128028.001, is an example of Trust Fund Receipt Account.

## **6511 - APPROPRIATION USES**

In addition to the authorities listed in section 6510.1, paragraph 1, 2, and 3, the following provides direction regarding proper appropriation use:

1. United States Department of the Treasury Publications. The following publications (and other guiding publications) are available at the following web site address: <https://www.fiscal.treas.gov> and provide guidance on U.S. Treasury’s accounting policies and procedures for financial management, collections and payments, and the structure of Treasury–level accounts:
  - a. Treasury Financial Manual, Volume I, Ch. 1500.
  - b. Federal Account Symbols and Titles (FAST) Book.
2. The Federal Accounting Standards Advisory Board (FASAB) Publications. These publications are available at the following web site address: <http://www.fasab.gov> and they represent sample guidance on Federal accounting standards and financial statement display and footnotes:
  - a. Federal Accounting Standards, such as Statement of Federal Financial Accounting Standards No. 6, Accounting for Property, Plant and Equipment, for asset maintenance and capital improvement guidance.
  - b. Statements of Federal Accounting Concepts, Interpretations, Technical Bulletins, and Technical Releases.

### **6511.1 - General Rules on Appropriation Use**

Appropriation laws and Comptroller General Decisions provide authorities, direction, guidance, clarification, and/or prohibitions on the expenditure of appropriated funds for certain items. Comptroller General Decisions carry the same effect as the statute(s) that the decision interprets and apply government-wide. For direction and specific cases supporting these rules, see the Government Accountability Office (GAO) publication, "Principles of Federal Appropriation Law", at the following web site address: <http://www.gao.gov>. You may also contact the Director, Financial Policy for needed guidance.

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### **6511.11 - Principles for Charging Appropriated Funds**

The Appropriation Act or the public law provides official authorization, but to analyze the intent of an appropriation act for uses not specifically covered in the language of the Act, review the following secondary documents, listed in order of precedence:

1. Authorizing statutes and legislative history of the related act, such as the Congressional Committee Reports, and Agency intent as expressed in the budget justification.
2. Executive Orders.
3. Code of Federal Regulations.
4. Forest Service Directive System.
5. Comptroller General Decisions.
6. GSA Contract Board of Appeals decisions, where applicable.
7. Opinions of the General Counsel and the Department of Justice.
8. Federal court decisions.
9. Federal Register notices.

#### **6511.11a - Augmentation of Appropriations**

Appropriations may not be increased, added to, or otherwise “augmented” by using funds from other appropriations or other sources unless specifically authorized by law, such as 31 U.S.C. 1301 and 3302 and 18 U.S.C. 209. A few Comp. Gen. Decisions interpreting the law, include: B-139992, 16 Comp. Gen. 911, and 62 Comp. Gen. 678.

#### **6511.11b - Bona Fide Needs Theory and Period of Availability**

A “good faith” need, a “real” need, is known in appropriations law by the Latin term, “bona fide” need. Bona fide need principles do not apply to no-year funds (43 Comp. Gen. 657, 661), but do apply to annual or multi-year appropriations. To obligate an annual appropriation (also called fiscal year or 1-year appropriation), the obligation document evidencing the obligation must:

1. Be obligated during the fiscal year that the appropriation is available for obligation, and
2. Meet a bona fide need of the same fiscal year.

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The Bona-Fide Needs Rule as defined by Title 31 of the U.S. Code, Section 1502, states:

**“The balance of an appropriation or fund limited for obligation to a definite period is available only for payment of expenses properly incurred during the period of availability or to complete contracts properly made within that period of availability and obligated consistent with *section 1501 of this title*. However, the appropriation or fund is not available for expenditure for a period beyond the period otherwise authorized by law.”**

The Bona Fide Needs Rule applies to time limited funds such as the one-year appropriation and multiple year appropriation:

1. One-Year Appropriations. Appropriations that are available for obligation only during a specific fiscal year. This is the most common type of appropriation. It is also known as “fiscal year” or “annual” appropriations.
2. Multiple-Year Appropriations. Appropriations that are available for obligation for a definite period of time in excess of one fiscal year. In the case of the Forest Service, the multiple year appropriation is for 4 years.

The No-year Appropriations are appropriations that are available for obligation for an indefinite period. A No-Year Appropriation is usually identified by appropriation language such as “to remain available until expended.”

Do not obligate appropriations or funds that are limited to a definite time period after the expiration of such period (31 U.S.C. 1501). Obligations have up to five subsequent fiscal years to be liquidated.

Absent specific statutory authority, funds received from other Federal agencies retain their original period of availability regardless of the terms of the work agreement or contract or the manner of transfer or advance.

### **6511.11c - Non-Monetary Transactions (Barter)**

Without specific statutory authority, the bartering of government property or resources for services, in lieu of financial payment, is prohibited because it would result in an unlawful augmentation of appropriations (Office of the General Counsel Opinion, July 18, 1988). However, the Stewardship Contracting program, authorized by Section 347 of the Omnibus Appropriations Act of 2003 (Public Law 108–7) and 16 USC 2104, provides that the Forest Service, via agreement or contract, as appropriate, may enter into stewardship contracting projects with private persons or other public or private entities to perform services in-kind, to achieve land management goals for the National Forests and the public lands that meet local and



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rural community needs. Forest products are exchanged for services. The Stewardship Contracting program became permanent with the passage of the Agriculture Act of 2014 (Public Law 113–79), Title VIII, Sec. 8205(b). (FSH 6509.11k, ch. 50.)

**6511.11d - Prohibition on Advance of Monies**

Do not advance funds unless authorized by law (31 U.S.C. 3324). See the following list of exceptions and the Acts authorizing the advance of funds:

1. Payment for publications and subscriptions (31 U.S.C. 3324d). There is no restriction on the length of subscriptions.
2. Payment to cooperators and grantees under the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1645).
3. Payments to cooperators under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2107).
4. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, (42 USC 5162), section 319 allows advance payments to a State for the State’s cost-share portion of assistance under circumstances as follows:
  - a. The State is unable to assume its financial responsibility under the cost-sharing provisions due to concurrent, multiple major disasters in a jurisdiction, or after incurring extraordinary costs as a result of a particular disaster; and
  - b. The damages caused by such disasters or disaster are so overwhelming and severe that it is not possible for the State to immediately assume their financial responsibility under the Act.
5. Payment of annual post office box rental (25 Comp. Gen. 834).
6. Payments or advances of funds to other Federal government departments and agencies under the Economy Act of 1932 (31 U.S.C. 1536) and the Treasury Financial Manual, Volume 1, Part 2, Chapter 4700, Appendix 10, “Intragovernmental (IGT) Transaction Guide”
7. Payments for tuition or training registration fees are authorized under Title 5, United States Code, section 4109 (5 U.S.C. 4109).
8. Payments to contractors when provided for in the contract (FSH 6309.22 - FAR 32.4).

**6511.11e - Investments in U.S. Treasury Securities**

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The U.S. Treasury is responsible for keeping Federal monies invested in marketable securities of the Federal Government so that interest income is earned for the benefit of the Federal Government as a whole. The U.S. Treasury's Bureau of Public Debt has sole responsibility for these investments; it borrows the money needed to operate the Federal Government and it administers the public debt by issuing and servicing U.S. Treasury marketable, savings and special securities. More information about the Bureau of Public Debt is available on the following web site: <https://treasurydirect.gov/>.

In a few cases, however, the Congress enacts legislation that explicitly gives investment authority to Federal departments and/or agencies, limiting investments to Federal Government marketable securities. Request info from Director, Financial Policy on current or available investment accounts under Forest Service purview.

### **6511.11f - Anti-Deficiency Act (ADA) Violations**

See FSH 1909.13, section 30.3, Policy, section 34, Financial Controls, and FSH 6509.11k chapter 50 for all procedures required to report all ADA violations to the President (through the Office of Management and Budget (OMB)) and to Congress, whether they involve appropriations, apportionments, or the acceptance of voluntary services. (31 U.S.C. §§ 1351 and 1517).

OMB Circular No. A-11, "Preparation, Submission, and Execution of the Budget", lists and describes the types of ADA violations that must be reported. It also provides a sample letter that explains the information to be contained in ADA violation reports.

### **6511.2 - Specific Appropriation Use**

#### **6511.21 - Specific Versus General Appropriation**

A Budget Line Item (BLI) for a specific purpose precludes the use of any other BLI. When the specific BLI is exhausted, it cannot be augmented with payments from a general BLI. This rule also applies to statutory and administrative appropriation limitations, budget activities, and specified projects.

#### **6511.22 - Two or More Specific Programs**

While it is a rule (sec. 6511.21) that a specific program excludes the use of other programs for the same work, when there are two or more specific programs, each applicable to the same work, they are to be considered cumulative to the same work.

### **6512 - RECEIPT ACCOUNTS**

#### **6512.03 - Policy**

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All receipts not earmarked by law for a specific purpose must be recorded in a U.S. Treasury General Fund Receipt Account.

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### **6512.1 - Appropriation Repayments**

Appropriation repayments, when authorized by law, are collections credited directly to an appropriation or fund. Repayments to appropriations and other funds have two broad categories, as follows:

1. Refunds, also known in OMB publications as offsetting collections; and
2. Reimbursements, also known in OMB publications as offsetting receipts.

The terms “refund” and “reimbursement” are often used interchangeably in casual settings, but these two categories of appropriation repayments have very different accounting procedures and financial statement display requirements published in OMB direction.

#### **6512.11 - Appropriation Refunds**

Refunds must be related to a previously recorded operating expenditure or advance payment to others. Credit appropriation refunds to the applicable appropriation or fund for advances, returned goods, and/or amounts paid in error. The effect of refunds on the financial statements is that they negate a portion of expenditures previously recorded. Examples of appropriation refunds with their related accounting treatment include:

1. Payments that were made in error or overpayments must be credited as expenditure refunds.
2. Goods purchased that were returned to the vendor must be credited as expenditure refunds.
3. Unused or excess advance payments to others for orders, recovered from grantees, cooperators, and other trading partners must be credited as the recovery of an advance payment.

If the collection in question does not fit one of the three descriptions above, determine if it is an appropriation reimbursement (sec. 6512.12). If the collection is neither a refund nor a reimbursement, then record it as revenue. Revenue must be deposited and recorded as Miscellaneous Receipts (fund 3220, U.S. Treasury receipt account symbol 123220) unless there is information and statutory authority to deposit and record it elsewhere (for example, Recreation Fees or Gifts and Donations).

#### **6512.12 - Appropriation Reimbursements**

Reimbursements are repayments for goods or services furnished or to be furnished that, by law, may be credited to the appropriation or fund accounts that financed or should finance the activities. Not all Forest Service appropriations are authorized to have a reimbursable program.

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For appropriations that do not have a reimbursable program, record all other collections as either revenues or refunds.

1. When authorized by law, reimbursable work may be accomplished for the following:
  - a. Authorized activities within the Department,
  - b. Other Federal agencies, or
  - c. Non-Federal agencies or the private sector.
2. Ensure signed agreements are in place prior to any request through budgetary channels, for reimbursable authority. Ensure reimbursable spending authority is allocated before incurring obligations against reimbursable accounts.
  - a. Reimbursements usually result from interagency agreements wherein the Forest Service is performing work for another Federal agency. All actual costs incurred, also referred to as total costs (direct costs plus related indirect costs), must be timely billed and collected, in concert with the Debt Collection Improvement Act. If the costs are uncollectible or not collected, the Forest Service program executing the agreement assumes those costs out of their annual budget. It is important to recover full or actual costs to prevent any Anti-Deficiency Act violations. See FSH 1909.13, chapter 40 for overhead rate direction.

When a Forest Service appropriation bears the cost or a portion of the cost of any work being done for another agency, the agreement must show that the benefit to the Agency program concerned is at least equal to the Agency's payment, as well as being an authorized Agency activity (FSM 1580).

- b. Record as an appropriation reimbursement the proceeds from the sale of personal property, which are to be used for replacement purposes.
- c. Record reimbursements to the appropriation from which the costs were originally paid, or to a similar appropriation currently available at the time of deposit. See FSM 1580 and FSH 1509.11, chapter 70, for additional direction regarding collection agreements.

## **6512.2 - Receipt Account Classification**

The U.S. Treasury, Bureau of the Fiscal Service, establishes U.S. Treasury receipt accounts to receive collections and assigns account symbols. The U.S. Treasury's publication, *Federal Account Symbols and Titles* (available on the web site: [www.fiscal.treasury.gov](http://www.fiscal.treasury.gov)), is the definitive publication for all U.S. Treasury account symbols. .

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### **6512.21 - General Fund Receipt Accounts**

General Fund receipt accounts represent all receipts not specifically earmarked by law for other specific uses. In accordance with the U.S. Treasury Financial Manual, general fund receipt accounts are identified with U.S. Treasury account numbers from 0000 through 3999.

### **6512.22 - Clearing Accounts**

The U.S. Department of the Treasury establishes clearing accounts to temporarily hold general, special, or trust fund Federal Government (Forest Service) collections or disbursements until they can be recorded in the applicable receipt or expenditure accounts. Amounts in clearing accounts must not be used to make outlays or payments. (Add the dollar limitations and timeframe to clear these accounts. Look in Treasury's directions.)

Clearing accounts are identified by an "F" preceding the last 4 digits of the account symbol and are in the 3800-series fund group.

1. Collections. Forest Service's Budget Clearing Account, U.S. Treasury Symbol 12F3875, is used to temporarily record unidentified collections from non-Federal entities (private parties, local governments, and so forth) for the 30 days or less required to identify the receipts and record them to the correct account.
2. Payments. Undistributed Intergovernmental Payments Clearing Account, U.S. Treasury Symbol 12F3885, is used to temporarily credit unclassified transactions between Federal agencies, including Intragovernmental Payment and Collection transactions. For example, payments by the Department of the Interior, the USDA Animal Plant Health Inspection Service, and so forth.

### **6512.23 - Special Fund Receipt Accounts**

When a law authorizes the collections of funds from a specific source(s), provisions also designate where to record such collections. The U.S. Treasury assigns account numbers in the 5000-series to these special funds. An example of a Special Fund Receipt Account is 125268, Recreation Fees, Forest Service.

In the absence of any language specifying a particular account, record all receipts to the U.S. Treasury general fund receipt account, Miscellaneous Receipts (U.S. Treasury receipt account symbol 123220, fund 3220). Miscellaneous receipts are not available for use by the Forest Service.

### **6512.24 - Trust Fund Receipt Accounts**

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The Permanent Appropriations Act of 1934 (31 U.S.C. 1321) authorized trust funds. Trust Fund receipts must be specific to the terms of the trust document and/or law creating the fund. The U.S. Treasury assigns account numbers in the 8000-series to trust funds, for example, Cooperative Work, Forest Service, is U.S. Treasury receipt account 128028.001. See FSH 6509.11g, chapter 70 for further guidance.

### **6512.3 - Available Receipts**

Available receipts are special or trust fund receipts that, pursuant to law, are available for obligation, without further congressional appropriation action. Such available receipts are subject to apportionment by the Office of Management and Budget. The U.S. Department of the Treasury's publication, Federal Account Symbols and Titles (available on web site [www.fiscal.treasury.gov](http://www.fiscal.treasury.gov)) shows each U.S. Treasury account symbol and indicates whether the account is available or unavailable. An available receipt account has the same "base-4" digits in its U.S. Treasury symbol as its corresponding expenditure account. Examples of available receipts are the following:

1. Recreation Fees, Forest Service (fund FDFD, U.S. Treasury account symbols are 125268 for receipts and 12X5268 for expenditures), and
2. Timber Salvage Sales, Forest Service (fund SFSF, U.S. Treasury account symbols are 125204 for receipts and 12X5204 for expenditures).

### **6512.4 - Unavailable Receipts**

Unavailable receipts are monies that, at the time of collection, are not appropriated and not immediately available for obligation, for one of the following reasons:

1. Congress limited the amount available for obligation. An example is Acquisition of Lands to Complete Land Exchanges, U.S. Treasury account symbol 12705216, with a period of availability from FY2017 through FY2020. In the annual Interior and Related Agencies Appropriation Act, Congress specifies the amount of money appropriated for land exchanges for the fiscal year.
2. The Forest Service adjusted the amount originally credited to receipt accounts, in whole or in part, to other receipt accounts before taking appropriation warrant action. An example is the National Forest Fund (fund 5008, U.S. Treasury receipt account symbol 125008), from which revenues are adjusted, by law, to the Range Betterment Fund (fund 5207, U.S. Treasury receipt account symbol 125207) before warrant actions are taken to position the monies for obligation.
3. Congress reserved ownership of the receipts for the U.S. Department of the Treasury. An example is Miscellaneous Receipts (fund 3220, U.S. Treasury account symbol 123220). When agencies record monies in the Miscellaneous Receipts account the U.S.

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Treasury uses the funds for Government-wide appropriation and/or disposition. All collections must be recorded in Miscellaneous Receipts unless the Agency has statutory authority to record them elsewhere.

## **6513 - EXPENDITURE ACCOUNTS**

### **6513.1 - Expenditure Account Classification**

The U.S. Treasury establishes expenditure accounts to record amounts appropriated by Congress and the subsequent payments from those appropriations, for the general support of the Forest Service. All Forest Service appropriations and funds, from which payments are authorized, have U.S. Treasury expenditure accounts. See FSH 6509.11g, for a list of appropriations and funds, including guidance for the use of each one.

#### **6513.11 - General Fund Expenditure Accounts**

As specified by the authorizing legislation, a general fund may be annual, multi-year, or no year (also called “continuing”), referring to the length of time the fund is available for obligation. Examples of general fund expenditure accounts are the National Forest System appropriation fund NFNF, U.S. Treasury Symbol 12701106, and the Wildland Fire Management appropriation, fund WFWF, U.S. Treasury Symbol 12701115. See FSH 6509.11g for fund use guidance.

#### **6513.12 - Revolving Fund Accounts (Working Capital Fund)**

Congress authorizes a revolving fund to finance a continuing cycle of non-profit, self-sustaining, business-type operations that serve a specific Federal agency, bureau, or department. The Forest Service Working Capital Fund (WCF) is a revolving fund. The WCF finances and furnishes authorized services and supplies using a self-sustaining business model, in support of Forest Service programs (FSM 6580 and FSH 6509.11f).

Each WCF activity, such as fleet or aircraft, establishes usage rates to recover full costs and records all transactions in the WCF accounts. Written proposals for new WCF activities require approval by the Chief Financial Officer. Perform annual fund reviews to ensure fund reserve and usage rates assessed are adequate to sustain the WCF activity, without creating excessive fund reserve balances.

#### **6513.13 - Special Fund Expenditure Accounts**

Special fund expenditure accounts (such as the Salvage Sales Fund and Recreation Fees, Forest Service) are used by the Forest Service to record amounts appropriated from corresponding special fund receipt accounts. The Forest Service may expend these receipts according to the specific provisions of the respective legislation. See FSH 6509.11g, chapter 60, for a list of expenditure accounts for special funds and their related fund use guidance.



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**6513.14 - Trust Fund Expenditure Accounts**

Trust fund expenditure accounts are used to record amounts appropriated from the respective trust fund receipts. The Forest Service must expend these receipts for specific purposes or programs according to the terms of a trust agreement or statute.. See FSH 6509.11g, chapter 70 for a list of trust fund expenditure accounts and their related fund use guidance.