PRIOR PERIOD ADJUSTMENT – GENERAL FUND OF THE U.S. GOVERNMENT – PRO FORMA

FLOWCHART FOR CORRECTIONS OF ERRORS IN A PREVIOUS PERIOD

Is the event material to your agency's financials?

- **YES** → Restate (Use USSGL account 740000)
- **NO** → Do **not** restate – Use current-year USSGL account

Is FBWT affected?

- **NO** → Do **not** request a **backdated** Treasury document – Use PYA attribute domain value "P"
- **YES** → **Is FBWT ≥ $500,000?**
  - **YES** → Request a **backdated** Treasury document – Use PYA attribute domain value "B"
  - **NO** → Do **not** request a **backdated** Treasury document - Use PYA attribute domain value "X"
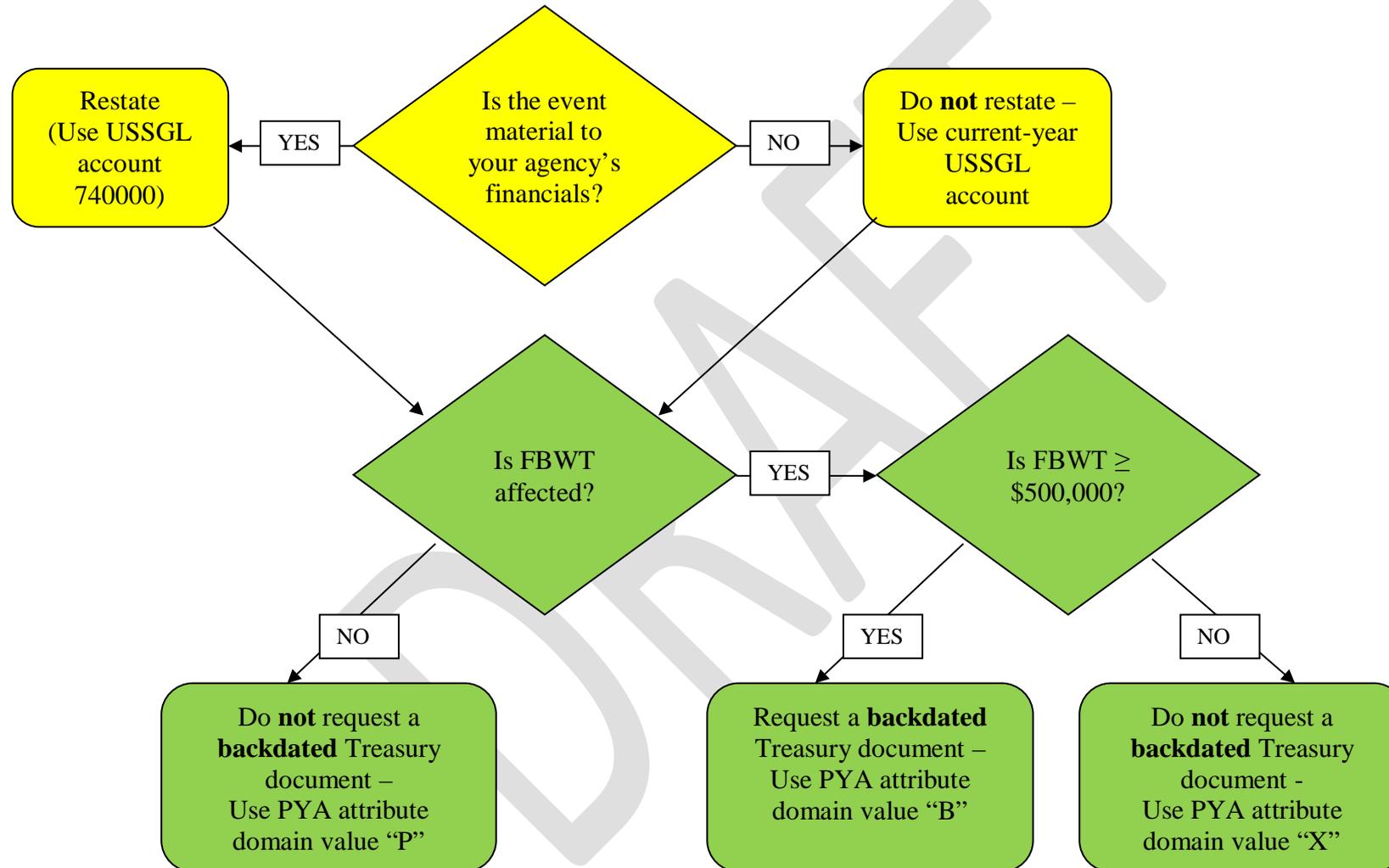
PRIOR PERIOD ADJUSTMENT – GENERAL FUND OF THE U.S. GOVERNMENT – PRO FORMA

*This **pro forma** uses information from the March 2019 U.S. Standard General Ledger, which is a Supplement to the Treasury Financial Manual (TFM) See Bulletin No. 2019-06 Part 2.*

Proposed FY 2020 USSGL Accounts

Account Title: Appropriations Outstanding – Prior Period Adjustments due to Corrections of Errors
Account Number: 320800
Normal Balance: Credit
Definition: The amount of net increase or decrease to unexpended appropriations due to an Agency's error(s) in prior-period financial statements that resulted from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time the financial statements were prepared. Although the normal balance for this account is credit, it is acceptable in certain instances for this account to have a debit balance.

Account Title: Appropriations – Expended- Prior-Period Adjustments Due to Corrections of Errors
Account Number: 570810
Normal Balance: Debit
Definition: The amount of net increase or decrease to expended appropriations due to Agency's errors in prior-period financial statements that resulted from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time the financial statements were prepared. Although the normal balance for this account is debit, it is acceptable in certain instances for this account to have a credit balance.

Attributes

USSGL Acct.	USSGL Account Title	Antici-pated	Budg/ Prop	Norm Bal	Begin/ End	Debit/C redit	Auth Type Code	Apport Cat	Apport Cat B
320800	Appropriations Outstanding – Prior-Period Adjustments Due to Corrections of Errors	N	P	C	E	D/C			
570810	Appropriations – Expended – Prior-Period Adjustments Due to Corrections of Errors	N	P	D	E	D/C			

USSGL Acct.	Avail Time	BEA Cat	Borrow Source	Budgetary Impact Indicator	Cohort Year	Cust/N on-Cust	Exch/ Non-exch	Fed/ Non-fed	Trading Partner	Trading Partner Main	PY Adj	DEFC	Prgm Rpt Category
320800								F	###	####			
570810								F	###	####			

USSGL Acct.	Reimb Flag	Year of BA	Reduction Type	Fund Type	Reporting Type Code	Financing Account Code	TAS Status	Trans. Code
320800				GA	U	N	U	N
570810				GA	U	N	U	N

IRC Handout April 23, 2019

Transactions

FPA (XXX)									GF (099)			
1. During fiscal 2019, an error that occurred in fiscal 2018 was discovered. The error understated expenses by $2,000,000. A bill for a delivered unpaid order had not been recorded. No prior related obligation had been previously recorded. **The error is material** and requires restatement of the proprietary financial statements.[1]												
System Only (GTAS)	**Debit**	**Credit**	**TC**	**Work Paper Only (Non-GTAS)**	**Debit**	**Credit**	**TC**		**(GTAS)**	**Debit**	**Credit**	**TC**
Budgetary Entry 445000 (P) Unapportioned Authority 490100 (P) Delivered Orders – Obligations, Unpaid	2,000	2,000		**Budgetary Entry** None					**Budgetary Entry** None			
Proprietary Entry (prior-year activity) 740000 (Z) PPA - DCE 211000 (F) Accounts Payable 310800 (G099) Unexpend. Approp. – PPA - DCE 570800 (G099) Expend. Approp. – PPA - DCE	2,000 2,000	2,000 2,000	D312 D304	**Proprietary Entry** 610000 (F) Operating Expenses/ Program Costs 740000 (Z) PPA-DCE 570800 (Z) Expend. Approp. – PPA – DCE 570000 (G) Expend. Approp. 310700 (G) Unexpend. Approp. – Used 310800 (Z) Unexpend Approp – PPA - DCE	2,000 2,000 2,000	2,000 2,000 2,000			**Proprietary Entry** 570810 (FXXX) Approp. – Expend – PPA - DCE 320800 (FXXX) Approp. Outstanding – PPA – DCE	2,000	2,000	

---

[1] The PYA attribute domain value "P" is used because FBWT is **not** affected. A matching backdated Treasury central accounting document is **not** prepared after the GTAS window period has closed for the period being corrected.

2. During fiscal 2019, an error that occurred in fiscal 2018 was discovered. The error understated expenses and overstated cash by $7,000,000. A bill for a delivered unpaid order had not been recorded. **The error is material** and requires restatement of the proprietary financial statements.[2]

FPA (XXX)								**GF (099)**			
System Only (GTAS)	**Debit**	**Credit**	**TC**	**Work Paper Only (Non-GTAS)**	**Debit**	**Credit**	**TC**	**(GTAS)**	**Debit**	**Credit**	**TC**

Budgetary Entry
445000 (B) Unapportioned Authority
   490200 (B) Delivered Orders –
      Obligations, Paid
	7,000	7,000		**Budgetary Entry**
				None
								Budgetary Entry
								None			

Proprietary Entry (prior-year activity)
740000 (Z) PPA- DCE
   101000 (G099) Fund Balance With
      Treasury
310800 (G099) Unexpend. Approp. – PPA
   – DCE
   570800 (G099) Expend. Approp. – PPA –
      DCE
	7,000
	
	7,000
		7,000
		
		7,000
			D306
			
			D304
				Proprietary Entry
				610000 (F) Operating Expenses/
				      Program Costs
				   740000 (Z) PPA – DCE
				570800 (Z) Expend. Approp. – PPA DCE
				   570000 (G) Expend. Approp.
				310700 (G) Unexpend. Approp. – Used
				   310800 (Z) Unexpend. Approp. –
				      PPA - DCE
					7,000
					
					7,000
					
					7,000
						
						7,000
						
						7,000
						
						7,000
								Proprietary Entry
								201000 (FXXX) Liability
								      for FBWT
								   198000 (F020) Asset for
								      Agency's Custodial and
								      Non-Entity Liabilities –
								      GF of the U.S. Gov't.
								570810 (FXXX) Approp. – Expend –
								      PPA – DCE
								   320800 (FXXX) Approp. Outstand.
								      – PPA – DCE
									7,000
									
									7,000
										
										7,000
										
										7,000	

---

[2] The PYA attribute domain value "B" is used because FBWT is $\geq$ $500,000. A backdated Treasury central accounting document is prepared after the GTAS window period has closed for the period being corrected.

3. During fiscal 2019, an error that occurred in fiscal 2018 was discovered. It understated expenses and overstated cash by $450,000. A bill and payment for a delivered paid order had not been recorded. **This error is material** and requires restatement of the proprietary financial statements.[3]

FPA (XXX)								GF (099)			
System Only (GTAS)	**Debit**	**Credit**	**TC**	**Work Paper Only (Non-GTAS)**	**Debit**	**Credit**	**TC**	**(GTAS)**	**Debit**	**Credit**	**TC**

Budgetary Entry
461000 Allotments – Realized Resources
   490200 (P) Delivered Orders –
      Obligations, Paid
	450	450		**Budgetary Entry**
				None
								Budgetary Entry
								None			

Proprietary Entry
740000 (Z) PPA- DCE
   101000 (G) FBWT
310800 (G099) Unexpend.Approp. - PPA
      DCE
   570800 (G099) Expend. Approp. – PPA
      DCE
	450
	
	450
		450
		
		450
			D306
			
			D304
				Proprietary Entry
				610000 (F) Operating Expenses/
				      Program Costs
				   740000 (Z) PPA - DCE
				570800 (Z) Expend. Approp. – PPA
				      DCE
				   570000 (G) Expend. Approp.
				310700 (G) Unexpend. Approp. – Used
				   310800 (Z) Unexpend. Approp. –
				      PPA - DCE
					450
					
					450
					
					450
						
						450
						
						450
						
						450
								Proprietary Entry
								201000 (FXXX) Liability for FBWT
								   198000 (F020) Asset for Agency's
								      Custodial and Non-Entity Liab.
								      - GF of the U.S. Gov't.
								
								570810 (FXXX) Approp. – Expend –
								      PPA – DCE
								   320800 (FXXX) Approp. Outstanding –
								      PPA – DCE
									450
									
									450
										450
										
										450	

---

[3] The PYA attribute domain value "X" is used because FBWT is < $500,000. A backdated Treasury central accounting document is **not** prepared after the GTAS window period has closed for the period being corrected.

IRC Handout April 23, 2019

PRIOR PERIOD ADJUSTMENT – GENERAL FUND OF THE U.S. GOVERNMENT – PRO FORMA

4. During fiscal 2019, an error that occurred in fiscal 2018 was discovered. It understated expenses by $100,000. A bill for a delivered unpaid order had not been recorded. No prior related obligation had been previously recorded. **This error is immaterial** and does not require restatement of the proprietary financial statements.[4]

FPA (XXX)								GF			
System Only (GTAS)	Debit	Credit	TC	**Work Paper Only (Non-GTAS)**	Debit	Credit	TC	**(GTAS)**	Debit	Credit	TC
Budgetary Entry				**Budgetary Entry**				**Budgetary Entry**			
445000 (P) Unapportioned Authority	100			None				None			
490100 (P) Delivered Orders – Obligations, Unpaid		100									
Proprietary Entry (current-year activity)				**Proprietary Entry**				**Proprietary Entry**			
610000 (N) Operating Expenses/Program Costs	100			None				570005 (FXXX) Approp.-Expend.	100		
211000 (N) Accounts Payable		100						320700 (FXXX) Approp.			
310700 (G099) Unexpended Appropriations – Used	100		B134					Outstanding - Used		100	
570000 (G099) Expended Appropriations		100									

---

[4] A budgetary entry is required to reflect a beginning balance adjustment. The PYA attribute domain value "P" is used because FBWT is not affected. A backdated Treasury central accounting document is **not** prepared after the GTAS window period has closed for the period being corrected.