

Scope of Federal Government Obligations

The continuous increase in the scope and cost of the Federal Government is revealed by the following analysis of obligations by object classes.

OBJECT CLASS ANALYSIS

BUDGET FOR FISCAL YEAR 1968

This analysis presents a summary by object class of the Federal obligations as shown in the budget appendix for 1968.

Object classes describe the nature of the particular service, article, or other item for which the obligations are incurred regardless of the purpose or program served. Thus, obligations for the procurement of an automobile are classified under object class 31, "Equipment," whether the procurement is for the purpose of national defense, law enforcement, or public works construction.

Object classes represent the type of products or services to be received by the ordering agency; therefore, while the price of the automobile may include charges by the supplier for transportation, or other items, the entire amount of the procurement is classified under object class 31, "Equipment."

A series of supporting tables presenting each major Government agency's obligations by object for the administrative budget and trust funds, respectively, is included in appendix 1, page 57. An overall summary of obligations by major object class covering both administrative budget and trust funds follows:

TABLE 1.—*Obligations for contractual services and supplies*

[In millions of dollars]

Description	1966 actual	1967 estimate	1968 estimate
Personal services and benefits.....	36,422	40,138	43,735
Contractual services and supplies.....	67,691	70,238	74,484
Acquisition of capital assets.....	33,343	37,521	37,712
Grants and fixed charges.....	65,303	75,135	80,384
Undistributed.....	2,162	11,994	10,556
Total obligations incurred.....	204,922	235,026	246,872
Deduct:			
Interfunds and intragovernmental payments.....	4,764	6,524	6,732
Reimbursements between accounts.....	28,127	32,490	29,865
Obligations to the public.....	172,031	196,012	210,275
Receipts from the public.....	19,807	22,204	25,873
Recoveries of prior-year obligations.....	1,538	1,168	1,136
Net obligations of the Government.....	150,686	172,642	183,267
Administrative budget.....	(120,477)	(138,883)	(143,170)
Trust funds.....	(33,568)	(38,783)	(45,417)
Intragovernmentals.....	(-3,359)	(-5,024)	(-5,320)

Source: Budget Bureau.