

cancellation has the effect of permitting further expenditures to be made (through restoring previously used authority to borrow from the Treasury.)

The availability of obligational and expenditure authority is the same as that of ordinary appropriations. However, authorizations to expend from debt receipts need not go through the appropriations committees and are not included in the congressional tally of appropriations enacted.

Most financial authorizations are enacted for a 1- or 2-year period and expire if not obligated during that time. Because of the lags in Federal procurement, there are often requests to extend such authorizations beyond the original period of enactment. The effect of reauthorizations is generally the same as if new authorizations were voted in their place.

The total of appropriations and other financial authorizations made available to the agencies for a given year is called "new obligational authority." Table 1 shows the various types of new obligational authority which were enacted for the fiscal year 1960. Their common characteristic is that they empower the agencies to obligate the Government to make expenditures in the future.

TABLE I.—Types of new obligational authority, fiscal year 1960

	(In millions)
Appropriations ¹	\$76,829
Authorizations to expend from debt receipts.....	1,801
Contract authorizations.....	760
Reappropriations.....	184
Total.....	79,574

¹ Excludes appropriations to liquidate contract authorizations totaling \$505 million.

Source: 1962 Budget, op. cit., pp. 14-15.

These authorizations are termed new obligational authority because they exclude the unobligated balances of prior-year obligational authority which are still available for current obligation. The total of funds available for obligation, which is of importance for budgetary control, includes both new obligational authority and the unobligated balances.

The granting of new obligational authority is a major control point over Federal spending. Given the grant of new obligational authority, the usual functioning of governmental operations will result in a subsequent flow of expenditures.

APPORTIONMENT OF FUNDS

After the Congress has voted funds, the control of expenditures shifts back to the executive branch. The rates at which appropriations are obligated and expenditures are made are determined by the departments and agencies, subject to the control of the Bureau of the Budget.

The Bureau of the Budget apportions to the agencies each quarter the funds appropriated to them. The apportionment power arises from the desire to prevent agencies from spending their appropriations early in the year and returning for deficiency appropriations.¹¹

¹¹ Executive order 6166, dated June 10, 1933, gave the Bureau of the Budget the authority for making, waiving, and modifying apportionments of the appropriations of the various agencies. Previously this authority had been vested in the heads of the agencies.