

CONTRACT AUTHORIZATIONS

Contract authorizations represent grants of authority by the Congress to incur obligations prior to the enactment of appropriations. A contract authorization does not, in itself, permit the spending of money. It must be followed by an appropriation to permit payment of the obligations incurred thereunder. The extent of this method of financing in the administrative budget accounts during fiscal year 1966 is shown in the following table.

Administrative Budget Accounts
Contract Authorizations, Fiscal Year 1966

(Millions of dollars)

Unfunded contract authorizations, June 30, 1965	\$5,397
Authorizations	2,283
Rescissions, cancellations, adjustments	-31
Appropriations to liquidate	-2,447
Unfunded contract authorizations, June 30, 1966	<u>\$5,202</u>

A breakdown by agency of the unfunded contract authorizations as of June 30, 1966, follows:

(Millions of dollars)

Legislative branch	\$ 7
Department of Agriculture	1,167
Department of Commerce	198
Department of Defense	383
Department of the Interior	116
Department of Health, Education, and Welfare	100
Department of Housing and Urban Development	<u>3,231</u>
Total	<u>\$5,202</u>

The extent of contract authorization activity reflected in trust fund accounts for fiscal year 1966 is as follows: