

BACKDOOR FINANCING—Obligational authority granted by the Congress other than in appropriation acts, usually in the form of contract authorizations or authorizations to spend debt receipts.

BALANCED BUDGET—A budget in which receipts are greater than (or equal to) expenditures.

"BELOW THE LINE"—That part of a budget not included in calculating the surplus or deficit, i.e., borrowing and other financing items. Also, in a capital budget, the transactions affecting assets.

BUDGET—A financial program for future operations. For the Federal Government, the budget is transmitted by the President to the Congress each January for the fiscal year beginning the following July 1. In the Commission's report, the term "the budget" also refers to the summary totals of appropriations, receipts, expenditures (excluding net lending), expenditure account surplus or deficit, gross and net lending, total expenditures, and total budget surplus or deficit.

BUDGET APPENDIX—A volume published annually with the budget document providing detailed estimates, explanations, and draft appropriation bill language, agency by agency, and account by account.

BUDGET DOCUMENT—The book, prepared annually by the Bureau of the Budget, in which the President transmits to the Congress his budget message and summarizes new legislative proposals, budget estimates, and appropriation requests.

CAPITAL ACCOUNT—The "below the line" part of a capital or divided budget in which goods and services to be consumed over a number of years are recorded. The entries in the capital account would not be used in the calculation of an ordinary budget surplus or deficit.

CAPITAL BUDGET—A divided budget in which expenditures for capital goods are recorded "below the line."

CAPITALIZATION—The calculation of the discounted present value of amounts to be received or paid at some future time. See also "Discounted Present Value."

CASH ACCOUNTING—A system of accounting in which receipts and expenditures are recorded at the time cash is received or paid out, rather than at the time of accrual. See also "Checks Issued" and "Checks Paid."

CASH BUDGET—See "Receipts from and Payments to the Public."

CHECKS ISSUED—A basis for reporting Government disbursements as of the time when checks are issued to pay for goods or services (or cash is paid in lieu of checks). This is the main basis for recording expenditures in the present administrative budget.

CHECKS OUTSTANDING—Checks issued but not yet paid.

CHECKS PAID—A basis for recording Government disbursements as of the time when checks are paid by the Federal Reserve banks holding the Government's deposits against which the checks are charged. This is the main basis for stating total cash payments in the present consolidated cash budget.

CLEARING ACCOUNT—A term covering various accounts which provide the accounting link between the budget surplus or deficit and changes in debt outstanding and cash balances. Some accounts covered by the term are: (1) checks paid based on telegraphic reports from Federal Reserve banks; (2) public debt interest payable; (3) deposits in transit.

COLLECTIONS BASIS—A basis for reporting Government receipts in which receipts are recorded when cash is received rather than when they accrue.

CONSOLIDATED CASH BUDGET—See "Receipts from and Payments to the Public."