

- CONTINGENT LIABILITY**—A conditional commitment which may become an actual liability in consequence of a future event beyond the control of the Government. This includes such items as insured and guaranteed loans and bank deposit insurance.
- CONTRACT AUTHORIZATIONS**—Authority granted by the Congress to agencies or departments to incur obligations prior to enactment of an appropriation. It must be followed by an appropriation or the receipt of moneys earmarked by law to permit payment of the obligations incurred.
- COST-BASED BUDGETS**—Agency budgets in which activity levels are measured in terms of the value of resources consumed in carrying out the activity, rather than in terms of the obligations incurred. Most agency budgets, aside from the Department of Defense and the State Department, are now presented on a cost rather than an obligations basis.
- COSTS**—Program cost (or expense) is measured by the value of goods and services consumed regardless of when acquired. Approximately equal to current expenditures (i.e., excluding capital outlay) plus inventory reductions, plus depreciation. Implicit in the measurement of cost is an accrual basis of accounting.
- CURRENT AUTHORIZATIONS**—Authorizations enacted by the Congress in or immediately preceding the fiscal year.
- CURRENT OR INCOME ACCOUNT**—The “above the line” portion of a budget that includes a separate capital account.
- DEBT ISSUED IN LIEU OF CHECKS**—Government securities issued to cover expenditures instead of cash or checks, consisting primarily of noninterest-bearing notes issued to international organizations and interest accruals on savings and retirement bonds and Treasury bills. In earlier years, also included Armed Forces Leave Bonds, and excess profits tax refund bonds.
- DEBT LIMIT**—See “Public Debt Ceiling.”
- DEBT SUBJECT TO LIMIT**—The public debt plus securities of Federal agencies guaranteed as to principal and interest, less certain small debt items, not included in the 1917 Act of Congress limiting the public debt, plus the outstanding amount of FNMA participations certificates authorized and issued in fiscal year 1968.
- DEFAULT**—A failure to repay a loan or other obligation.
- DEFICIT OR BUDGET DEFICIT**—The excess of budget expenditures over receipts.
- DELIVERIES BASIS**—A basis for reporting Government expenditures in which an expenditure is recorded when goods are physically received. This is the main basis for recording expenditures in the national income accounts (NIA) budget.
- DEPOSIT FUNDS**—Combined receipt and expenditure accounts established to account for amounts that are either (a) held in suspense temporarily and later refunded or paid into some other funds of the Government upon administrative or legal determination as to the proper disposition thereof, or (b) held by the Government as banker or agent for others and paid out at the direction of the depositor.
- DEPRECIATION**—The decrease in the value of physical assets due to use or the passage of time; the portion of an asset's cost which is charged to current expense in a given accounting period.
- DISBURSEMENTS**—Checks issued or cash paid. In the present budget, disbursements are net of repayments (refunds and reimbursements).
- DISCOUNTED PRESENT VALUE**—The price that a buyer would be willing to pay for a future benefit or a series of future benefits. The determination of that price involves specifying some rate of interest (rate of discount) to compensate for the fact that the benefits will not be received until some time in the future.