



Treasury Financial Manual

Chapter 2000

WARRANT AND NONEXPENDITURE TRANSFER (NET) TRANSACTIONS

This chapter describes the procedures and forms used to record warrant transactions and contains information about using the Central Accounting Reporting System (CARS) to process Nonexpenditure Transfers (NETs) transactions and to retrieve processed warrant transactions.

Section 2010—Scope and Applicability

All Federal Program Agencies (FPAs) and U.S. Government corporations are governed by the procedures in this chapter for:

- Establishing and closing appropriated amounts in accounts by warrant or warrant-like transactions, and
- Processing NETs between appropriation and other accounts for transfers and borrowings.

Both warrants and NETs are processed using the Agency Transaction Module (ATM) within CARS.

Section 2015—Authority

In accordance with 31 U.S.C. 3513:

- The Secretary of the Treasury must prepare reports on the financial operations of the U.S. Government, and
- Each executive entity must provide the Department of the Treasury (Treasury) with reports and information about its financial condition and operations as the Secretary of the Treasury may require.

Section 2020—Definition of Terms

For terms and definitions related to this chapter, please view the [TFM Glossary](#).

Section 2025—Warrant Transactions

This section describes procedures and forms for the following:

- Appropriation warrants,
- Warrants under Continuing Resolutions (CRs), and
- Using the Year-end Transaction Module (YETM).

2025.10—Appropriation Warrants

Each year, Congress passes annual appropriation acts and supplemental appropriation acts to fund the federal government. These appropriation acts provide budget authority to entities to incur obligations and expend funds from the General Fund of the U.S. Government for specific purposes. A Treasury representative prepares and issues the FS Form 6200: Department of the Treasury Appropriation Warrant via the CARS ATM Appropriation Warrant Application. Instead of a countersignature by a representative of the Government Accountability Office (GAO) on behalf of the Comptroller General of the United States, the following statement appears on the warrant: "Countersignature not required pursuant to Treasury Department-General Accounting Office Joint Regulation No. 5 or No. 7." (See the GAO's *Policy and Procedures Manual for Guidance of Federal Agencies, Title 7, Appendix II.*)

The appropriation warrant is evidence of Congressional action to fund programs. In addition, an appropriation warrant serves to establish the amount and period of availability of monies the entity is authorized to withdraw from the General Fund of the U.S. Government.

If enacted legislation, other than an appropriation act, provides budget authority in the form of an appropriation, entities must submit a letter to Treasury requesting the appropriation be processed. The request letter, in PDF format, may be submitted via email and must include the following:

- Amount of the request,
- Legal authority (Treasury requires a statute or U.S. Code citation but accepts a Public Law citation with the legislative page reference until a statute is available on a case-by-case basis.),
- Treasury Account Fund Symbol (TAFS) and
- Point of contacts.

The requirement to request appropriations by letter includes the following circumstances:

- Advance appropriations—Amounts appropriated in prior appropriation acts for future fiscal years (FYs),
- Indefinite appropriations—Appropriations of an unspecified amount of money, and
- Rescission of appropriations—Rescission legislation that permanently reduces budget authority previously provided by Congress. If an appropriation warrant provided budget authority that is subsequently permanently rescinded through an across-the-board cut or specific rescission action, a rescission warrant is prepared to reduce the original amount appropriated. Typically, if the entity receives a warrant for an appropriation that subsequently becomes subject to a

rescission, the entity should request a rescission warrant.

Note: However, as a general rule, rescissions involving spending authority from offsetting collections, as well as special, trust, and revolving funds, are classified as temporarily not available for obligation. When a temporary rescission involves unavailable receipt accounts, then entities must request a rescission warrant to reduce the original amount appropriated to the expenditure account and to return the amount to that unavailable receipt account. Therefore, the source of the funds should be identified in the rescission request letter to ensure proper accounting. Refer to OMB Circular No. A-11 for more guidance related to rescissions.

- Appropriation from unavailable receipts (special and trust)—Legislation that provides for an amount to be derived from Dedicated Collections receipts collected in an unavailable receipt account, and
- Other—All other appropriated amounts that require additional information from the entity before the warrant can be issued when the appropriation language includes, but is not limited to, wording such as: “up to,” “not to exceed,” or “not more than.”

2025.20—Appropriation Warrants Under a Continuing Resolution

When Congress has not enacted appropriations by the beginning of the FY, it often passes a Continuing Resolution (CR). A CR allows entities or specific activities to continue operating by providing budget authority until Congress enacts regular appropriations.

Congress usually enacts a CR to cover a limited period of time, such as a month or a calendar quarter. The CR usually specifies that appropriated amounts will cease to be available as follows (whichever occurs first):

- When the activity is later funded by a regular appropriation,
- When Congress intends to end the activity by enacting an applicable appropriation act without providing for the activity, or
- On the fixed cutoff date of the CR.

Unlike regular appropriation acts, CRs usually do not appropriate specified sums of money. Amounts usually are based on annual operations from the previous FY and cover only the amount necessary to continue the project or activity for a short time. Congress often appropriates an amount at a specific rate, such as at the then-current rate, House-passed level, Senate-passed level, Conference-passed level, or budget estimate.

Warrants are not issued until Congress enacts the regular appropriation bill, unless entities are under a full-year CR.

Entities under a full-year CR must request a warrant from Treasury for the annualized level of an amount appropriated by the CR. Entities must submit these requests as soon as possible to cover obligations incurred under the authority

of the CR. A letter of request under a full-year CR should include the following information:

- The legislative authority for the request (Public Law number and Statute page),
- Treasury Account Symbol (TAS) for the current FY and the amount requested for each corresponding account listed,
- Amounts appropriated for the account in the prior FY,
- An approved apportionment (SF 132: Apportionment and Reapportionment Schedule) from OMB, if applicable,
- A contact person for additional information, and
- The appropriate official's signature (the official authorized to request an appropriation under the CR).

In addition, Treasury may request that entities provide the following:

- Amounts of formal budget requests for the current FY (as transmitted in the President's Budget and subsequent amendments), and
- Amounts of unobligated balances carried over from the previous FY into the current FY.

Upon receipt of the appropriation request, Treasury issues a warrant for the annualized level of amounts appropriated.

Treasury handles programs exempted from the normal provisions of a CR individually (for example, a specific amount appropriated separately or the appropriation of an amount not based on the specified rate). Amounts provided under CRs are subject to apportionment.

Exceptions may be made for issuing warrants under a CR if the CR covers specific mandatory federal payments. Generally, the warrant prepared for the subsequent enacted appropriation bill requires no special action or letter from the entity. Normal procedures for warranting regular appropriations apply.

2025.30—Closing Accounts Using the Year-end Transaction Module (YETM)

CARS ATM requires entities to report transactions at the end of a FY according to the schedule published in the annual Year-end Closing Bulletin. YETM is the module that entities use to withdraw, adjust, or cancel balances. YETM consists of the four functionalities listed below:

- Surplus, Year-end Closing Cancellation of Expired Account Balances- 31 U.S.C. 1552 requires that on September 30th of the fifth fiscal year after the period of availability ends for obligation of a definite appropriation account, the account shall be closed and any remaining balance (whether obligated or unobligated) in the account shall be canceled. Thereafter the account shall not be available for obligation or expenditure for any purpose. Entities must cancel remaining account balances and close the account using the YETM,
- Surplus, Year-end Closing Cancellation, Unavailable for Restoration,

Surplus, Year-end Closing Cancellation of Special and Non-revolving Trust Fund Accounts (with Unavailable Receipts), and

- Indefinite, Year-end Closing Adjustment- Entities must report increases and decreases for indefinite authority in YETM.

Entities must initiate and complete all necessary transactions in the YETM prior to uploading bulk files to the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) in order to pass all validations and edits.

More information is available in the [United States Standard General Ledger \(USSGL\) Guide to Cancellations, Partial Adjustments, and Specific Permanent Reductions \(Cancellation Cheat Sheet\)](#) on the USSGL website.

Note: Pursuant to 31 U.S.C. 1552(a), entities should not withdraw money from the following series of accounts: Revolving fund accounts (4000 series), Trust fund accounts (8000 series), Consolidated working fund accounts (3900 series), and No-year (X) accounts.

Surplus warrants are normally not processed for annual and multi-year TAS. Instead, surplus warrants are used to withdraw or cancel unobligated balances of appropriations.

Section 2030—NET Transactions Using CARS ATM

This section describes procedures and forms for the following:

- Accessing CARS ATM NET application,
- Using CARS ATM NET application (including transfer types),
- Using USSGL budgetary accounts with NETs, and
- Using USSGL proprietary accounts with NETs.

Note: This section does not apply to NETs for Borrowings (see Section 2035).

2030.10—Accessing CARS ATM NET Application

Each entity must request access to CARS ATM NET application. Select the [CARS Enrollment](#) link for specific guidance on the process.

After completion of the enrollment process and notification/receipt of proper access credentialing, entity personnel may access the [CARS ATM NET](#) application.

2030.20—Using CARS ATM NET Application

The CARS application performs systematic interfaces to produce a system of record in Treasury's central accounting system.

NETs do not impose an impact to the federal government's budget surplus or deficit figures and do not appear in Treasury publications or in budget documents as receipts or expenditures. Consequently, entities should not record or report NET transactions as a Classification Transactions and Accountability

(CTA) component on a monthly Statement of Transactions (224). Instead, entities should record such transactions within their own administrative accounting processes.

Based upon legislation, entities can use NET transactions to make increases and decreases between accounts as authorized by law. Entities must use CARS ATM NET application to process NET transactions. The CARS ATM NET application screen allows only one account symbol on the "transfer from" side and multiple account symbols on the "transfer to" side. Entities must enter the following information:

- Transfer Type—the transfer type determines the impact or category of the transaction in CARS (for example, balance transfer, appropriation transfer, reappropriation, transfers to general fund receipts, borrowings, or repayments),
- Subtransfer Type—the subtransfer type drop-down lists the available USSGL budgetary accounts associated with the Transfer Type selected. Selection of the appropriate USSGL budgetary account is required (see Appendix 1),
- Transaction Date—the date on which the transaction was entered in the ATM application and determines the accounting period,
- Effective Date—the date on which the transaction has taken or will take place,
- Entity Reference Number (optional)—Entities may input information for internal tracking purposes,
- Legal Authority—The legislative citation identifies the Congressional authority that validates the transfer,
- Comment—Entities are required to provide the following information in the "Comment" field of the NET request:
 - (a) The USSGL proprietary account(s),
 - (b) Whether the funds are "current-year" or "prior-year" when transferring between no-year accounts, and
 - (c) Indicate if the transfer is a "return of funds" as necessary.
- TAS—the "from" TAS and the "to" TAS, and
- Amount—the "from" amount and the "to" amount. The ATM application will allow transfers from one to many TASs.

Initiate the NET as early in the month as possible to ensure that each entity involved in the transaction can process the transaction during the same accounting period, but no later than the last workday of each month.

To document a transfer and merge funds that provide no benefit to the transfer account (a reorganization is an example), separate the unobligated and obligated balances on the NET. Further separate the amounts of current-year appropriations and balances of prior-year appropriations for unexpired multi-year and no-year appropriations.

When all or a portion of an amount advanced or transferred as a "nonexpenditure

transaction" is returning to the original TAS, the entity to which the amount was originally transferred must initiate and process the NET to return funds relative to the initial transfer request. The proper legislation to reference when returning funds should mirror that of the original transaction legal reference. Furthermore, the returning entity must note in the comment field that these funds are being returned. Legislation cited must support and authorize the transfer of funds back to the originating TAS.

Entities can use CARS ATM NET application to track pending documents throughout the final approval/posted process via the audit/history timeline. Use of the Posted Transactions application in CARS allows an entity to print a copy of a completed NET and the audit history as well as query and download transaction activity.

NETs are limited to transactions in which both the withdrawal and the credit occur in a TAS within the budget. For example, NETs can be accomplished between general (0100-3000 series), revolving (4000 series), trust fund (8000 series), or special fund (5000 series) TASs within the budget.

Entities can process trust-to-trust transfers as NETs. However, NET transfers between trust funds and other funds, regardless of the purpose, cannot be processed using CARS ATM NET application.

Without exception, do not transfer funds to or from deposit fund accounts (6000 series) and receipt TAS on NET documents (see the "Transfers to General Fund Receipts" transfer type exception below).

Using the information provided in Appendix 1, entities should select the appropriate transfer type as summarized below:

- Appropriation transfers—transfers that increase or decrease budget authority between TAS, using current-year budget authority,
- Balance transfers—transfers that increase or decrease prior-year budget authority.

Note: entities must determine whether to input their allocation transfer (parent entity to child) in CARS as either an appropriation (current-year authority) or balance (prior-year authority) transfer.

- Reappropriation transfers—transfers that increase or decrease unobligated balances between TAS, using prior-year transfer authority. Using current-year transfer authority, an entity can transfer unobligated balances between an expired TAS and a current-year TAS. These transfers represent a redistribution of funds, or redelegation or adjustment of obligational authority, and permit funds to be expended under another appropriation or fund symbol, or
- Transfers to General Fund Receipts (previously titled "Capital Transfer")—these transfers are credits to miscellaneous receipts. These credits repay the government's investment in or distribute the earnings of a revolving fund. These transfers also include special and non-revolving trust fund receipts returned to the General Fund of the

U.S. Government for permanent reduction. Entities must use their agency identifier code in front of the miscellaneous receipt TAS for all transfers back to the General Fund of the U.S. Government.

2030.30—Using USSGL Budgetary Accounts with NETs

Treasury, in consultation with OMB and entities, has determined that the inclusion of USSGL budgetary and proprietary account information with the submission of NETs will:

- Assist entities in reconciliation and reporting of NET data,
- Build confidence in the reports provided by entities to Fiscal Service and OMB, and
- Allow for the verification of data between OMB's MAX A-11 budget preparation system, Fiscal Service's CARS ATM NET application, and GTAS.

Entities must select the appropriate USSGL budgetary account when certifying and submitting NET requests to Treasury. The CARS ATM NET application includes a drop-down list (within the Subtransfer Type field) of USSGL budgetary accounts directly related to NET transactions. Entities must select the correct USSGL budgetary account in accordance with current USSGL guidance to avoid entity-wide or government-wide elimination discrepancies. For additional guidance on using USSGL budgetary accounts when submitting NETs, see Appendix 1.

2030.40—Using USSGL Proprietary Accounts with NETs

Including the required USSGL proprietary accounts within the comment field of NET requests assists entities in analyzing and reconciling NET data. Specifically, it is helpful when preparing for the quarterly intra-governmental transactions reconciliation process (see [Volume I, Part 2, Chapter 4700](#)).

Because there can be mixed funding in a single TAS, the net position of a TAS can include a combination of the following:

- Unexpended appropriations derived from general fund resources not dedicated collections by law for a specific purpose (for example, a warrant), and
- Financing sources, such as Economy Act revenue, that impact cumulative results of operations.

Therefore, for budget authority NETs between TASs, the "Transfer From" entity determines the source of funds being transferred and records, in the comment field on the CARS NET entry screen, a USSGL proprietary account that designates the funding as being derived from either of the following:

- For unexpended appropriations from general fund resources not dedicated collections by law for a specific purpose, use USSGL account 310300, "Unexpended Appropriations-Transfers-Out," or
- For financing sources that impact cumulative results of operations, use

USSGL account 576500, "Non-expenditure Financing Sources-Transfers-Out-Other."

The "Transfer To" entity must use and record a USSGL proprietary account that corresponds to the account used by the "Transfer From" entity as either:

- For unexpended appropriations from general fund resources not dedicated collections by law for a specific purpose, use USSGL account 310200, "Unexpended Appropriations-Transfers-In," which corresponds to USSGL account 310300, or
- For unexpended appropriations from general fund resources not dedicated collections by law for a specific purpose, use USSGL account 575500, "Non-expenditure Financing Sources-Transfers-In-Other," which corresponds to USSGL account 576500.

Both entities must record the matching USSGL proprietary accounts to avoid entity-wide or government-wide elimination discrepancies. For additional guidance on using USSGL proprietary accounts when submitting NETs, see Appendix 1.

Section 2035—Borrowings

This section describes procedures for the following:

- Borrowings from Federal Financing Banks (FFB), and
- Borrowings from Treasury.

2035.10—Borrowings from the FFB (Using the CARS ATM NET Application)

Borrowings from the FFB are amounts loaned by the FFB to entities authorized to issue, sell, or guarantee their obligations. Entities borrow from the FFB, rather than borrowing from Treasury or issuing securities to the public. Interest payments on such loans represent expenditure transactions and are not in this category.

2035.20—Borrowings from Treasury (Using the CARS Borrowings Application)

Withdrawals and credits resulting from authorized borrowings from Treasury to expend public debt receipts are always NET transactions that involve obligations, expenditures, or reimbursements. These borrowings are amounts Treasury advanced under loan authorizations and amounts to repay the loan principal. Interest payments on such loans represent expenditure transactions and are not in this category.

Contacts

Direct inquiries concerning this chapter and the preparation and submission of NET transactions using CARS, or to submit written requests for appropriations, warrants, or to close a TAS or TAFS, to:

Budget Reporting Branch
Central Accounting and Reporting Division
Bureau of the Fiscal Service
PO Box 1328
Parkersburg, WV 26106-1328
Email: baasgroup@fiscal.treasury.gov

Direct inquiries concerning the selection of the proper USSGL accounts to:

General Ledger and Advisory Branch
Financial Reports and Advisory Division
Bureau of the Fiscal Service
PO Box 1328
Parkersburg, WV 26106-1328
Phone: 304-480-7122
Fax: 304-480-5176
Website: [USSGL](#)

Direct inquiries concerning the quarterly intra-governmental transactions reconciliation process to:

Intra-governmental Transaction and Reconciliation Branch
Financial Reports and Advisory Division
Bureau of the Fiscal Service
PO Box 1328
Parkersburg, WV 26106-1328
Email: GovernmentwideIGT@fiscal.treasury.gov

Direct inquiries concerning this chapter and the submission of CARS Borrowings transactions in CARS to:

Federal Investments and Borrowings Branch
Special Asset and Liabilities Division
Bureau of the Fiscal Service
PO Box 1328
Parkersburg, WV 26106-1328
Phone: 304-480-7488
Fax: 304-480-5206
Email: borrowings@fiscal.treasury.gov

Direct inquiries regarding the submission of GTAS to:

General Ledger and Advisory Branch
Financial Reports and Advisory Division
Bureau of the Fiscal Service
PO Box 1328
Parkersburg, WV 26106
Email: GTAS.TEAM@fiscal.treasury.gov

Appendices Listing

Appendix No.	Form/Title
1	CARS NET Application Guide

Summary of Changes

Section Number	Section Title	Summary of Change
2020	Definition of Terms	Removed Definitions from this chapter; redirect readers to TFM Glossary
2025.20	Appropriation Warrants under a Continuing Resolution	Removed references to long-term CR's.
2025.30	Closing Accounts Using Year-End Transaction Module	Reworded for clarity.