

## SECTION 122—INVESTMENT TRANSACTIONS FOR BUDGET EXECUTION

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**Summary of Changes**

Contains information previously included in section 23 of A-34.

**122.1 Where should I go for a broader understanding of investment transactions.**

This section is limited to how you report investment transactions on the Report on Budget Execution and Budgetary Resources (SF 133). For the treatment of investment transactions in general, including the definition of terms and explanation of investment concepts, see section [20.12](#).

**122.2 How do I treat an investment in a Federal security on an SF 133?**

If you purchase a Federal security *at a discount*, the total balances on the SF 133 should not change. See exhibit [122A](#) for all accounts.

If you purchase a Federal security *at a premium*:

- For a general fund appropriation account or a revolving fund (including a trust revolving fund), you reduce the collections on line 3.A by the premium, i.e., the amount greater than par. See exhibit [122B](#).
- For a special or trust fund account (excluding a trust revolving fund), there will be no change on the SF 133 because the reduction will be in the special or trust fund receipt account.

**122.3 How do I treat the redemption of a Federal security on an SF 133?**

If the purchase was at a *discount* and if the redemption is at *par*:

- For a general fund appropriation account or a revolving fund (including a trust revolving fund), you show the discount realized on line 3A. See exhibit [122C](#).

- For a special or trust fund account, you will show the discount realized when the amount is appropriated out of the special or trust fund receipt account. See exhibit [122D](#).

**122.4 How do I treat investments in securities issued by non-Federal entities on an SF 133?**

Treat investment in non-Federal securities (equity or debt securities) as the purchase of an asset. You must record an obligation and an outlay for the purchase in an amount equal to the purchase price

**Investment in Federal Securities at a Discount  
All Accounts**

**Illustration: An account with a cash balance of \$1,500 invests  
in a \$1,000 (par value) Federal security at a 10% discount.**

SF 133 REPORT ON BUDGET EXECUTION		Period ended 9/30/CY
AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Bureau of Central Services	80X1309 Research and development	
<b>BUDGETARY RESOURCES</b>		
2. Unobligated balance		
A. Brought forward October 1.....	1,500	The beginning balance is made up of \$1,500 in cash.
7. Total budgetary resources.....	1,500	
<b>STATUS OF BUDGETARY RESOURCES</b>		
8. Obligations incurred:		No obligation is recorded because the principal transaction is treated as a change in the mix of assets.
9. Unobligated balance:		
A. Apportioned:		
1. Balance, currently available.....	1,500	As a result of the investment: o Cash..... \$600 o Federal securities (at par)..... \$1,000 o Unrealized discounts.... - \$100 Net balances ..... \$1,500
11. Total status of budgetary resources.....	1,500	
<b>RELATIONSHIP OF OBLIGATIONS TO OUTLAYS</b>		
15. Outlays:		No outlay is recorded because the principal transaction is treated as a change in the mix of assets.
A. Disbursements (+).....		
B. Collections (-).....		

_____	_____	
(Authorized Officer)	(Date)	(Preparer: Name) _____
		(Address) _____
		(Phone number) _____

**Investment in Federal Securities at a Premium  
General Fund Appropriation or Revolving Fund Accounts**

**Illustration: An account with a \$1,500 balance in cash invests  
and pays a \$100 premium for a Federal security with par value of \$1,000.**

SF 133 REPORT ON BUDGET EXECUTION		Period ended 9/30/CY	
AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL		
BUREAU: Bureau of Central Services	80X1309 Research and development		
<b>BUDGETARY RESOURCES</b>			
1. Budget Authority			
A. Appropriation.. P.L. 99-456.....			
			Include reference to law(s) providing budget authority.
2. Unobligated balance			
A. Brought forward October 1.....	1,500		Beginning balance consists of: ◆ Cash..... \$1,500
3. Spending authority from offsetting collections (gross)			
A. Earned:			
1. Collected.....	-100		Record the amount greater than par as a negative amount on line 3A.
<b>7. Total budgetary resources.....</b>	<b>1,400</b>		
<b>STATUS OF BUDGETARY RESOURCES</b>			
9. Unobligated balance:			
A. Apportioned:			
1. Balance, currently available.....	1,400		The ending balance consists of \$1,000 for the U.S. securities at par, and \$400 in cash (the \$1,500 on line 2A minus the \$1,100 paid to purchase the security).
<b>11. Total status of budgetary resources.....</b>	<b>1,400</b>		
<b>RELATIONSHIP OF OBLIGATIONS TO OUTLAYS</b>			
_____ (Authorized Officer)	_____ (Date)	(Preparer: Name) _____	
		(Address) _____	
		(Phone number) _____	

**Federal Security Purchased at a Discount and Sold or Redeemed at Par  
General Fund Appropriation or Revolving Fund Accounts**

**Illustration: This account redeems the security at par value and receives cash.  
This means that the discount realized is authorized to be credited and used without further appropriation action.**

SF 133 REPORT ON BUDGET EXECUTION		Period ended 9/30/CY
AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Bureau of Central Services	80X1309 Research and development	
<b>BUDGETARY RESOURCES</b>		
2. Unobligated balance		
A. Brought forward October 1.....	1,500	
3. Spending authority from offsetting collections (gross)		
A. Earned:		
1. Collected.....	100	When the cash for the discount is collected, record it on this line.
7. Total budgetary resources.....	1,600	
<b>STATUS OF BUDGETARY RESOURCES</b>		
9. Unobligated balance:		
A. Apportioned:		
1. Balance, currently available.....	1,600	
11. Total status of budgetary resources.....	1,600	
<b>RELATIONSHIP OF OBLIGATIONS TO OUTLAYS</b>		
15. Outlays:		
A. Disbursements (+).....		
B. Collections (-).....	-100	Record the amount as an offset to outlays.
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>_____ (Authorized Officer)</p> </div> <div style="width: 45%;"> <p>_____ (Date)</p> </div> </div> <div style="text-align: right; margin-top: 10px;"> <p>(Preparer: Name) _____              (Address) _____              (Phone number) _____</p> </div>		

**Federal Security Purchased at a Discount and Sold or Redeemed at Par  
Special or Trust Fund Accounts (excluding Trust Revolving Funds)**

**Illustration: This is identical to the circumstances in Exhibit 122C, except the account is a special or trust fund and the realized discount is automatically appropriated.**

SF 133 REPORT ON BUDGET EXECUTION		Period ended 9/30/CY
AGENCY: Department of Government	APPROPRIATION OR FUND TITLE AND SYMBOL	
BUREAU: Bureau of Central Services	80X8309 Central Trust Fund	
<b>BUDGETARY RESOURCES</b>		
1. Budget Authority		
A. Appropriation.. P.L. 99-456.....	100	When appropriated (together with other receipts), count the discount realized as budget authority on line 1A and reflect it in the balances on line 9C below.
		Start of year balance: o Cash..... \$600 o Federal securities (at par) ..... \$1,000 o Unrealized discounts..... - \$100 Net balances..... \$1,500
2. Unobligated balance		
A. Brought forward October 1.....	1,500	
<hr/>		
7. Total budgetary resources.....	1,600	
<b>STATUS OF BUDGETARY RESOURCES</b>		
9. Unobligated balance:		
A. Apportioned:		The end of year balance is made up of \$1,600 cash.
1. Balance, currently available.....	1,600	
<hr/>		
11. Total status of budgetary resources.....	1,600	
<b>RELATIONSHIP OF OBLIGATIONS TO OUTLAYS</b>		
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>_____ (Authorized Officer)</p> </div> <div style="width: 45%;"> <p>_____ (Date)</p> </div> </div> <div style="margin-top: 10px; text-align: right;"> <p>(Preparer: Name) _____                      (Address) _____                      (Phone number) _____</p> </div>		