

**SECTION 81—POLICY AND BASELINE ESTIMATES OF BUDGET AUTHORITY,  
OUTLAYS, AND RECEIPTS (SCHEDULES A, S, R, AND K)**

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**Summary of Changes**

Adds BEA data classification subcategories for homeland security and overseas combating terrorism (section 81.3).

Replaces the concept of user fees with the broader concept of user charges (section 81.3).

Drops line 8890 in schedules A and S (section 81.4).

Adds memorandum entries in schedule A (lines 9900 and 9901) for reporting the additional net budget authority and outlays required to cover the cost of fully accruing retirement costs (section 81.4).

**81.1 What are the basic requirements?**

MAX contains detailed information on budgetary resources, outlays, and receipts for *presidential policy* (schedules A and R) and *baseline* (schedules S and K).

- Presidential policy data covers the period PY through BY+9.
- Baseline data covers the period CY through BY+9.
- Schedules A and S are used to report on budget authority and outlays.
- Schedules R and K are used to report on receipts.

OMB uses this information to prepare the budget documents. The baseline estimates are also used for scoring PAYGO legislation under the Budget Enforcement Act (BEA).

You must submit policy data for all accounts except credit financing accounts and Government-sponsored enterprises. You must submit baseline data for the regular budget schedule (transmittal code "0") of all accounts except for credit financing accounts and Government-sponsored enterprises. You must also

submit baseline data for supplemental requests (transmittal code "1") that are classified as *mandatory* (such as payments under entitlement programs). Do not provide baseline estimates for other transmittals (codes "2", "3", "4", "5"), unless specifically requested by OMB.

Use the guidance in [sections 30.2](#) and [35](#) to develop the policy estimates. Use the guidance in [section 80](#) to develop the baseline estimates. [Sections 81.3](#) and [81.4](#) explain how you report data in schedules A, S, R and K.

## 81.2 What information is automatically calculated?

[Exhibit 81A](#) describes the relationships between schedules A, K, P, R, and S and indicates which data MAX automatically generates.

### (a) *Automatic calculations and data loaded from Treasury.*

(1) *Outlays.* MAX automatically calculates *discretionary outlays (policy and baseline)* in schedules A and S for CY through BY+9 based on:

- The levels of budgetary resources reported;
- Outlay rates; and
- Outlays from end of PY balances.

You input outlays from end of PY balances as memorandum entries in schedule S and report outlay rates in schedules A and S using the separate MAX drop-down menu that is accessible for each budgetary resource, as described in the MAX A–11 Users Guide (see [exhibits 81B](#) and [81C](#)). MAX uses this information to automatically generate the outlays from balances that are reported on line 9x21 of MAX schedules A and S. To support the automatic outlay generation feature in MAX, you must enter information developed using the method of calculation (i.e., the waterfall method) that is specified in this Circular and the MAX A–11 Users Guide (see [exhibit 81D](#)). As a general rule, you cannot override automatically generated discretionary outlay amounts. If you need to reflect separate outlay rates (e.g., for enacted rescissions and reductions of unobligated balances, pay/non-pay) within an account, report the budget authority and corresponding outlays from end of PY balances using a line sequence number in the range 01–39.

You can also use MAX's automatic outlay generation feature to calculate *mandatory outlays*. If you enter outlay rates in schedule S for mandatory resources, MAX will automatically generate the outlays in schedule S (baseline) and copy them to schedule A (policy). Remember to include information on outlays from end of PY balances if you use the automatic feature. You can override the automatically generated mandatory outlay amounts in schedule S.

If you want to generate separate discretionary outlays for certain programs within an account, report the budget authority and corresponding outlays from end of PY balances using a line sequence number in the range 40–79, as explained in the MAX A–11 Users Guide.

### (2) *Budget authority and offsetting collections.*

- As a general rule, MAX automatically calculates *discretionary policy budget authority and offsetting collections entries* in schedule A through BY+9 for the years that are subject to across-the-board rules.

- MAX also automatically calculates *discretionary baseline budget authority and offsetting collections entries* in schedule S for BY through BY+9 based on the CY budgetary resources entered by the agency and inflation factors entered by OMB.
- For discretionary offsetting collections entries (lines 6890, 8800–8845), you may overwrite these amounts, if necessary, in schedules A and S.

(3) *Receipts.*

- Past year data will be loaded into schedule R from Treasury data. These amounts cannot be overridden.
- MAX automatically calculates *discretionary policy receipts* in schedule R through BY+9 for the years that are subject to across-the-board rules. You may overwrite these amounts, if necessary.
- MAX also automatically calculates *discretionary baseline receipts* in schedule K for BY through BY+9 based on the CY budgetary resources entered by the agency and inflation factors entered by OMB. You may overwrite these amounts, if necessary.

(b) *Data copied by MAX from one schedule to another.*

(1) *From schedule S to schedule A.* MAX automatically copies the following data from schedule S (baseline) to schedule A (policy):

- Mandatory budgetary resources (budget authority and limitations) for CY through BY+9.
- Mandatory outlays for CY through BY+9.
- Memorandum information on outlays from end of PY balances (lines 9x22).

To change the policy estimates for these entries, you must revise the baseline estimates. Because of the automatic copy feature, you may wish to enter or revise data in MAX by updating schedule S before updating schedule A.

(2) *From schedule K to schedule R.* MAX automatically copies the mandatory baseline receipts data (offsetting and governmental) you enter in schedule K to schedule R. To change the policy estimates, you must revise the baseline estimates. Because of the automatic copy feature, you should update schedule K before schedule R.

(3) *From schedule A to schedule P.* MAX aggregates gross outlay data from schedule A and copies it to lines 86xx in the program and financing schedule (see [section 82.5](#) and [exhibit 82](#)). To change amounts on lines 86xx in schedule P, you must change the outlay data in schedule A. Because of the automatic copy feature, schedule A must be updated before you can complete schedule P.

### 81.3 What data classifications do I use to report the data?

In schedules A, S, R, and K, you report data through BY+9 using the data classifications specified below. Multiple entries are required when more than one classification applies to a budgetary resource, limitation, offset, or outlay. When inserting or revising data, you choose the appropriate line number, BEA category, and other classifications from a list provided on the MAX screen. In schedules A and S, you may make non-print notations on stub entries to document information reported (e.g., to clarify the nature of data entered when multiple lines of the same type are used). See the MAX A–11 User's Guide for details.

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MAX schedules A and S will be used to track spending on homeland security and overseas combating terrorism activities. For selected budget enforcement subcategories, MAX will prompt you to indicate whether the amounts should be further classified as:

- Homeland security;
- Overseas combating terrorism; or
- Regular.

**Homeland security** activities are focused on combating and protecting against terrorism. These activities may occur within the United States and its territories, or outside of the United States and its territories in support of domestically based systems or activities (e.g. visa processing). Such activities include efforts to detect, deter, protect against, and, if needed, respond to terrorist attacks. A complete definition can be found in the National Strategy for Homeland Security that is expected to be released this summer. Note that all activities that would transfer to the Department of Homeland Security may not fall within this category, because some activities may not meet the definition of homeland security in the National Strategy.

**Overseas combating terrorism** activities are focused on combating and protecting against terrorism and occur outside the United States and its territories. Such activities include efforts to detect, deter, protect against, and if needed respond to terrorist attacks. This information has previously been collected as part of the Unconventional Threats Crosscut Budget Data Request from OMB.

**Regular** means those programs, projects, and other activities that are not classified as either homeland security or overseas combating terrorism. Note some activities that would transfer to the Department of Homeland Security may fall within this category, because they do not meet the definition of homeland security in the National Strategy for Homeland Security.

**DATA CLASSIFICATIONS FOR SCHEDULES A, S, R, AND K**

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<b>Classification</b>	<b>Description</b>
SCHEDULE	Alpha character designation of the type of schedule in the MAX budget system that appears at the beginning of each schedule.
LINE NUMBER	For schedules A and S, a 4-digit code that indicates the data being reported (see <a href="#">section 81.4</a> ). For schedules K and R, a 6-digit code (xxxx-xx) that indicates the character classification (see <a href="#">sections 81.4</a> and <a href="#">84.4</a> ). A line number appears on each line for which data are provided.
SUBFUNCTION	For accounts with a single subfunctional classification (see <a href="#">section 79.3</a> ), you can enter data without specifying the subfunction; MAX automatically provides the subfunction designation. For multifunction accounts, you must enter data under each of the appropriate subfunctions.

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Classification	Description																								
<p>SEQUESTRABLE/ EXEMPT</p> <p><i>Only applies to schedule K and S.</i></p>	<p>Used to compute BEA sequesters. Indicates whether amounts are sequestrable or exempt. Use for:</p> <ul style="list-style-type: none"> <li>• Budget authority;</li> <li>• Unobligated balances (for defense only);</li> <li>• Limitations; and</li> <li>• Outlays.</li> </ul> <p><b>Sequestrable</b> means amounts not exempted by any provision of the BEA and, therefore, subject to a uniform percentage reduction, elimination of an automatic spending increase, or reduction under special rules. Applies to spending authority from offsetting governmental collections (from non-Federal sources) (see <a href="#">section 20.7</a>).</p> <p><b>Exempt</b> means amounts not subject to any reduction because the program, account, or resource type is specifically exempted by the BEA or other laws. The exempt category includes:</p> <ul style="list-style-type: none"> <li>• Spending authority from offsetting collections from Federal sources; and</li> <li>• Spending authority from voluntary offsetting collections and offsetting receipts from non-Federal sources for goods and services (for example, national park entrance fees); and outlays from prior balances or from prior limitations for non-defense accounts.</li> </ul> <p>In addition, the accounts listed below have special sequestration rules under the BEA that specify the maximum sequester that can be applied to these accounts and the method for calculating the maximum sequester. For these accounts only, use the special coding provided below. For example, the maximum sequester for the mandatory portion of Medicare is 4%; the budget authority and outlays that are subject to this special rule should be divided between the sequestrable 4% amount (entered on a line coded M) and the 96% that is exempt (entered on a line coded B) because of the special rule. If any portion of these accounts is not subject to the special rule, the line code for that portion should be entered on a line coded S or E, as appropriate.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><b>Program amounts</b></th> <th style="text-align: right;"><b>Code</b></th> </tr> </thead> <tbody> <tr> <td>Subject to across-the-board sequester.....</td> <td style="text-align: right;">S</td> </tr> <tr> <td>Exempt from across-the-board sequester.....</td> <td style="text-align: right;">E</td> </tr> <tr> <td colspan="2"><i>Automatic Spending Increase (ASI) Accounts:</i></td> </tr> <tr> <td>    Amount subject to special rule sequester.....</td> <td style="text-align: right;">A</td> </tr> <tr> <td colspan="2"><i>Department of Education:</i></td> </tr> <tr> <td>    Student Loans special rule sequester.....</td> <td style="text-align: right;">L</td> </tr> <tr> <td colspan="2"><i>Department of Health and Human Services:</i></td> </tr> <tr> <td>    Foster care and adoption assistance (75–1545).....</td> <td style="text-align: right;">F</td> </tr> <tr> <td>    Medicare, amount subject to 4% sequester limit.....</td> <td style="text-align: right;">M</td> </tr> <tr> <td>    Other health programs, amount subject to 2% sequester limit.....</td> <td style="text-align: right;">H</td> </tr> <tr> <td>    Exempt portion of medical accounts due to special rule.....</td> <td style="text-align: right;">B</td> </tr> </tbody> </table>	<b>Program amounts</b>	<b>Code</b>	Subject to across-the-board sequester.....	S	Exempt from across-the-board sequester.....	E	<i>Automatic Spending Increase (ASI) Accounts:</i>		Amount subject to special rule sequester.....	A	<i>Department of Education:</i>		Student Loans special rule sequester.....	L	<i>Department of Health and Human Services:</i>		Foster care and adoption assistance (75–1545).....	F	Medicare, amount subject to 4% sequester limit.....	M	Other health programs, amount subject to 2% sequester limit.....	H	Exempt portion of medical accounts due to special rule.....	B
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Classification	Description
	<p><i>Department of Veterans Affairs:</i></p> <p>Medical care (36–0160), amount subject to 2% sequester..... H</p> <p>Exempt portion of medical accounts due to special rule..... B</p>
<p>CIVILIAN PAY/ MILITARY PAY/ NON-PAY</p> <p><i>Only applies to schedule S.</i></p>	<p>Indicates whether amounts are used to fund personnel compensation and benefits or other activities.</p> <p>Applies to baseline budget authority (other than spending authority from offsetting collections) and limitations.</p> <p><b>Civilian pay</b> means the amount of new budgetary resources used to fund personnel compensation and benefits for civilian personnel, consistent with the definitions for object classes 11.1 through 11.5 and 12.1.</p> <p><b>Military pay</b> means the amount of new budgetary resources used to fund personnel compensation and benefits for military personnel, consistent with object classes 11.7 and 12.2.</p> <p>Amounts designated as <b>pay</b> should reflect personnel compensation financed from discretionary budget authority or limitations only.</p> <p><b>Non-pay</b> means the amount of new budgetary resources not used to fund personnel compensation. Applies to mandatory budget authority even if it funds personnel compensation.</p>
<p>BUDGET ENFORCEMENT CATEGORY/ SUBCATEGORY/ JURISDICTION/ USER CHARGE INDICATOR</p>	<p>Indicates:</p> <ul style="list-style-type: none"> <li>• BEA category (i.e., discretionary, mandatory, net interest, governmental receipt);</li> <li>• Subcategory (i.e., emergency, user charges, asset sales, third scorecard, modification to a mandatory account, conservation spending, highway, mass transit);</li> <li>• Jurisdiction (appropriations or authorizing committee); and</li> <li>• Whether the amount is a user charge.</li> <li>• Whether the amount is for homeland security or overseas combating terrorism.</li> </ul> <p>Report data by the categories listed in the next table, "Summary of BEA Data Classifications." Use multiple entries if more than one classification applies to the budgetary resources and outlays in an account.</p> <p>Applies to all line entries <i>except</i> the number of beneficiaries (line 9993).</p> <p>In most cases, if an account is classified as discretionary under the BEA, you classify any spending authority from offsetting collections (line 6890), the offsetting collections from which they are derived (lines 8800–8896), and the outlays from the offsetting collections (line 93xx) as <i>discretionary</i>. Likewise, you classify these amounts as <i>mandatory</i> in accounts designated as mandatory under the BEA, except for administrative expenses, which are classified as discretionary. Obtain prior OMB approval if you want to split the data reported on these lines between discretionary and mandatory classifications.</p> <p>All discretionary resources are under the jurisdiction of appropriations committees. The classification for mandatory resources differentiates between appropriations and authorizing committee jurisdiction.</p>

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SUMMARY OF BEA DATA CLASSIFICATIONS

If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
Discretionary	Appropriations committee	None of the conditions described below applies.	<p><b>DISCRETIONARY</b></p> <p><i>This category includes spending authority that requires appropriations committee action and the associated outlays, as well as receipts made available through action by appropriations committees in discretionary accounts.</i></p> <p><i>Do not use this category if amounts can be classified in any of the other discretionary categories described below.</i></p>
		The amounts include <i>user charges</i> .	<p><b>DISCRETIONARY, USER CHARGES</b></p> <p><i>Only applies to offsetting collections credited to expenditure accounts (lines 8800-8845 in schedules A and S) and to offsetting receipts (in schedules R and K).</i></p>
		The amounts include <i>proposed emergency funding</i> (i.e., funding that is proposed to be designated as emergency by the President and Congress in statute) <i>other than emergency funding for response and recovery activities related to the September 11, 2001 terrorist attacks.</i>	<p><b>DISCRETIONARY, EMERGENCY</b></p> <p><i>Only applies to new emergency funding proposed in the budget. Use only with OMB approval.</i></p>
		The amounts include <i>proposed emergency funding</i> (i.e., funding that is proposed to be designated as emergency by the President and Congress in statute) <i>for response and recovery activities related to the September 11, 2001 terrorist attacks.</i>	<p><b>DISCRETIONARY, EMERGENCY, TERRORIST RESPONSE</b></p> <p><i>Only applies to new emergency funding in response to the September 11, 2001 terrorist attacks proposed in the budget. Use only with OMB approval.</i></p>
		Use for amounts from the Emergency Response Fund established pursuant to P.L. 107-38 and other emergency funding provided in FY 2002 supplemental appropriations acts for response and recovery activities related to the	<p><b>DISCRETIONARY, TERRORIST RESPONSE</b></p> <p><i>Use only with OMB approval.</i></p>

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If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		September 11, 2001 terrorist attacks.	
		The amounts include <i>asset sales</i> enacted in an appropriations act that cannot be counted for BEA scoring (i.e., those where the net financial cost to the Government is a loss (see <a href="#">Appendix A, rule 15</a> )).	DISCRETIONARY, ASSET SALES <i>Use only with OMB approval.</i>
		The amounts are under the <i>discretionary highway category</i> of the BEA, as amended by the Transportation Equity Act for the 21 <sup>st</sup> Century (P.L. 105–178).	DISCRETIONARY, HIGHWAY <i>Classify amounts in excess of the highway category spending cap as "discretionary" not as "discretionary, highway."</i>
		The amounts are under the <i>discretionary mass transit category</i> of the BEA, as amended by the Transportation Equity Act for the 21 <sup>st</sup> Century (P.L. 105–178).	DISCRETIONARY, MASS TRANSIT <i>Classify amounts in excess of the mass transit category spending cap as "discretionary" not as "discretionary, mass transit."</i>
		The amounts are under the <i>Federal and State land and water conservation fund sub-category</i> of the BEA, as amended by the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L. 106–291).	DISCRETIONARY, CONSERVATION SPENDING, FEDERAL AND STATE LAND AND WATER CONSERVATION FUND
		The amounts are under the <i>State and other conservation sub-category</i> of the BEA, as amended by the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L. 106–291).	DISCRETIONARY, CONSERVATION SPENDING, STATE AND OTHER CONSERVATION
		The amounts are under the <i>urban and historic preservation sub-category</i> of the BEA, as amended by the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L. 106–291).	DISCRETIONARY, CONSERVATION SPENDING, URBAN AND HISTORIC PRESERVATION



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If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		The amounts are under the <i>payments in lieu of taxes sub-category</i> of the BEA, as amended by the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L. 106–291).	DISCRETIONARY, CONSERVATION SPENDING, PAYMENTS IN LIEU OF TAXES
		The amounts are under the <i>Federal deferred maintenance sub-category</i> of the BEA, as amended by the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L. 106–291).	DISCRETIONARY, CONSERVATION SPENDING, FEDERAL DEFERRED MAINTENANCE
		The amounts are under the <i>coastal assistance sub-category</i> of the BEA, as amended by the Department of the Interior and Related Agencies Appropriations Act, 2001 (P.L. 106–291).	DISCRETIONARY, CONSERVATION SPENDING, COASTAL ASSISTANCE
		Appropriations action modifies the spending authority or receipts in an otherwise mandatory account.	DISCRETIONARY, MODIFICATION OF A MANDATORY ACCOUNT <i>Does not apply to baseline estimates. Use only with OMB approval.</i>
Mandatory	Appropriations committee	None of the conditions described below applies.	MANDATORY, APPROPRIATIONS COMMITTEE  <i>Do not use this category if amounts can be classified in any of the other mandatory categories described below.</i>
		The amounts include <i>user charges</i> .	MANDATORY, USER CHARGES, APPROPRIATIONS COMMITTEE  <i>Only applies to offsetting collections credited to an expenditure account (lines 8800-8845 in schedules A and S) and to offsetting receipts (in schedules R and K).</i>
		The amounts include <i>emergency funding</i> (i.e., funding that is proposed to be designated as emergency by the President and Congress in statute).	MANDATORY, EMERGENCY, APPROPRIATIONS COMMITTEE  <i>Use only with OMB approval.</i>
		The amounts result from proposed legislative changes to mandatory budget authority,	MANDATORY, THIRD SCORECARD, APPROPRIATIONS

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If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		outlays or receipts that are not scored as PAYGO or subject to discretionary limits under the BEA. Includes changes that are "level of effort" changes, or when the level of receipts is dependent upon the amount of annual appropriations.	COMMITTEE  <i>Does not apply to schedules K or S.</i>
	Authorizing committee	None of the conditions described below applies.	MANDATORY, AUTHORIZING COMMITTEE  <i>Do not use this category if amounts can be classified in any of the other mandatory categories described below.</i>
		The amounts include <i>user charges</i> .	MANDATORY, USER CHARGES AUTHORIZING COMMITTEE  <i>Only applies to offsetting collections credited to an expenditure account (lines 8800-8845 in schedules A and S) and to offsetting receipts (in schedules R and K).</i>
		The amounts include <i>emergency funding</i> (i.e., funding that is proposed to be designated as emergency by the President and Congress in statute.)	MANDATORY, EMERGENCY, AUTHORIZING COMMITTEE  <i>Use only with OMB approval.</i>
		The amounts include <i>asset sales</i> that are enacted in an authorization act that cannot be counted for BEA scoring (i.e., those where the net financial cost to the Government is a loss (see Appendix A, rule 15)).	MANDATORY, ASSET SALES, AUTHORIZING COMMITTEE  <i>Use only with OMB approval.</i>
		The amounts result from proposed legislative changes to mandatory budget authority, outlays, or receipts that are not scored as PAYGO or subject to discretionary limits under the BEA.	MANDATORY, THIRD SCORECARD, AUTHORIZING COMMITTEE  <i>Does not apply to schedules K or S.</i>
Net interest		None of the conditions described below applies.	NET INTEREST  <i>Applies to budget authority, outlays, and offsetting receipts included in the net interest functions (function 900).</i>

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If the resource is classified by the BEA as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		The amounts result from proposed legislative changes to interest budget authority, outlays, or receipts under authorizing committee jurisdiction that are not scored as PAYGO or subject to discretionary limits under the BEA.	NET INTEREST, THIRD SCORECARD  <i>Does not apply to schedules K or S.</i>
Governmental receipts	Authorizing committee	None of conditions described below applies.	GOVERNMENTAL RECEIPTS  <i>Applies to governmental receipts in schedules K and R.</i>
		The amounts are <b>user charges</b> included in governmental receipts accounts.	GOVERNMENTAL RECEIPTS, USER CHARGES  <i>Applies to governmental receipts in schedules R and K.</i>
		The amounts result from proposed legislative changes to Governmental receipts under authorizing committee jurisdiction that are not scored as PAYGO or subject to discretionary limits under the BEA.	GOVERNMENTAL RECEIPTS, THIRD SCORECARD  <i>Applies to governmental receipts in schedule R; does not apply to schedule K.</i>
	Appropriations committee	The amounts are not user charges and result from appropriations action modifying Governmental receipts.	DISCRETIONARY MODIFICATION OF GOVERNMENTAL RECEIPTS  <i>Applies to governmental receipts in schedule R; does not apply to schedule K. Use only with OMB approval.</i>
		The amounts are <b>user charges</b> and result from appropriations action modifying Governmental receipts.	DISCRETIONARY MODIFICATION OF GOVERNMENTAL RECEIPTS, USER CHARGES  <i>Applies to governmental receipts in schedule R; does not apply to schedule K. Use only with OMB approval.</i>

**81.4 What line codes do I use for A, S, R, and K?**

- (a) *Budgetary resources.*

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The line numbers indicate the type of budgetary resource and whether it is discretionary or mandatory. The following table indicates the line numbers used to report budgetary resources. The lines apply to schedules A and S unless otherwise specified.

**BUDGETARY RESOURCES**

Entry	Description*
2140 <i>Only applies to schedule S</i>	<b>Sequestrable unobligated balances (defense only).</b> Report for CY and BY+1 the sequestrable unobligated balances of budgetary resources that became available in previous years. Use only for accounts in function 050, national defense. Amounts reported on line 2140 should be consistent the entry on line 2140 of the program and financing schedule.
4300–5590	<b>Discretionary budget authority.</b> Use total lines (lines 4300, 4790, 4990, 5300, 5590) to report the appropriate amounts from the program and financing schedule for each applicable type of authority (see <a href="#">section 82.3</a> ). Use separate lines to report rescissions and reductions of unobligated balances if a different outlay rate is needed.
6250–6790	<b>Mandatory budget authority.</b> Use total lines (lines 6250, 6390, 6590, 6690, or 6790) to report the appropriate amounts from the program and financing schedule for each applicable type of authority (see <a href="#">section 82.3</a> ).
6890	<b>Discretionary spending authority from offsetting collections.</b> Use line 6890 to report the appropriate amounts from the program and financing schedule (see <a href="#">section 82.3</a> ).
6990	<b>Mandatory spending authority from offsetting collections.</b> Use line 6990 to report the appropriate amounts from the program and financing schedule (see <a href="#">section 82.3</a> ).
7xxx <i>Memorandum entry</i>	<p><b>Limitations.</b> Includes enacted or proposed limitations on administrative expenses and de facto limitations established as a result of sequestration under the BEA. Also includes limitations on obligations enacted in authorizing legislation for certain transportation programs in the absence of limitations enacted in appropriations acts. See <a href="#">section 81.4(b)</a> for the coding scheme for limitations.</p> <p>Mandatory budget authority that is subject to a discretionary limitation on obligations set in an appropriations act is scored as discretionary budget authority rather than as a limitation for all affected accounts except trust fund accounts in the Department of Transportation.</p> <p>Baseline data are not required for loan limitations.</p>
9900 <i>Memorandum entry</i> <i>Only applies to schedule A</i>	<b>Additional net budget authority to cover cost of fully accruing retirement.</b> Enter the additional <i>net</i> budget authority required to pay the full share of accruing employee pensions and annuitant health benefits for PY through BY (see <a href="#">section 32.5</a> ). Use multiple entries if more than one subfunction or budget classification category applies. MAX will calculate the BY+1 through BY+9 amounts based on inflation factors provided by OMB.
9993 <i>Memorandum entry</i> <i>Only applies to schedule S</i>	<b>Number of beneficiaries (in thousands).</b> Report the annual average number of beneficiaries that are served by Federal hospital insurance, supplementary medical insurance, unemployment insurance, and rail industry pension fund programs. MAX uses these data to generate discretionary baseline budget authority for administrative expenses for these programs.

\*Do not report baseline data (schedule S) for the PY.

(b) *Limitations.*

MAX includes data on limitations:

- For selected accounts where limitations on administrative expenses are enacted or proposed; and
- Where de facto limitations are established as a result of sequestration under the BEA.

Limitations can be mandatory or discretionary. Mandatory budget authority that is subject to a discretionary limitation on obligations is normally treated as discretionary budget authority rather than as a limitation for all affected accounts, except for trust fund accounts in the Department of Transportation.

The line numbers distinguish between types of limitations (e.g., limitation on program level, direct loan) and indicate the amount of the limitation and the associated outlays. The limitation(s) applicable to an account must be specified on the BAT file (see [section 79.1](#)) before you can report limitation data in MAX.

Budget year limitation amounts should correspond to the limitation language proposed in the budget. Current year limitation amounts should correspond to the enacted limitation language. For accounts with limitations on direct loan obligations and loan guarantee commitments, the limitation amounts should tie to the amounts reported in MAX schedules G and H through BY+4 (see [section 185.11](#)).

When more than one limitation is applicable, report each one separately. Present any supplemental requests involving limitations in a schedule under a separate transmittal code, even if a separate program and financing schedule is not required.

Show limitation amounts on a pre-sequester basis, and report the effects of any reductions pursuant to the BEA separately. Show defacto limitations as if they were in place before the sequester. De facto limitations resulting from sequestration of the BEA law will be reported only for PY and CY, as applicable.

Credit limitations should be reported in the program account. You do not need to report baseline data for credit limitations because these limitations are not sequestrable.

The following table indicates the line numbers used to report limitations. The lines apply to schedules A and S unless otherwise specified.

**LIMITATIONS**

Entry	Description*
Xxxx	For the first digit, use: <ul style="list-style-type: none"> <li>• 7—to report the amount of the limitation; or</li> <li>• 9—to report the outlays associated with the limitation.</li> </ul> <i>Do not report outlays for limitations on loan guarantee commitments.</i>
XXxx	For the second digit, use:

**SECTION 81— POLICY AND BASELINE ESTIMATES OF BUDGET AUTHORITY, OUTLAYS, AND RECEIPTS (SCHEDULES A, S, R, AND K)**

Entry	Description*
	<ul style="list-style-type: none"> <li>• 0—to report the amount of the limitation;</li> <li>• 9—to report BEA reductions in limitations;</li> <li>• 7—to report outlays from new limitations (i.e., from a limitation in the year the limitation is enacted or proposed); or</li> <li>• 8—to report outlays from prior limitations (i.e., from limitation that were enacted in prior years).</li> </ul> <p><i>Show outlays from limitations on a post-sequester basis.</i></p>
XxXx	<p>For the third digit, use:</p> <ul style="list-style-type: none"> <li>• 0—to indicate the limitation was not established as a result of the BEA; or</li> <li>• 1—to indicate de facto limitations established as a result of the BEA.</li> </ul> <p><i>For outlays, use "0" in all cases.</i></p>
XxxX	<p>The fourth digit identifies the specific limitation pertaining to the account and will be assigned by OMB as follows:</p> <ul style="list-style-type: none"> <li>• 1 through 5—for limitations on administrative and other expenses;</li> <li>• 6—for limitations on program level (obligations);</li> <li>• 7—for limitations on direct loan activity;</li> <li>• 8—for limitations on loan guarantee commitments; or</li> <li>• 9—for other purposes, as determined by OMB.</li> </ul> <p><i>xxx7 and xxx8 only apply to schedule A.</i></p>

\*Do not report baseline data (schedule S) for the PY.

(c) *Offsets.*

Provide data on offsetting collections (i.e., cash credited to the account) and changes in receivables and unpaid, unfilled orders from Federal sources for all accounts with spending authority from offsetting collections (lines 6890 or 6990). The following table indicates the line numbers used to report offsets. The lines apply to schedules A and S.

**OFFSETS**

Entry	Description*
	Offsetting collections (cash) from: (see <a href="#">section 82.6</a> for line definitions)
8800	Federal sources
8820	Interest on Federal securities
8825	Interest on uninvested funds
8840	Non-Federal sources
8845	Offsetting governmental collections (from non-Federal sources)

**SECTION 81— POLICY AND BASELINE ESTIMATES OF BUDGET AUTHORITY,  
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Entry	Description*
8895	Change in uncollected customer payments from Federal sources (unexpired)
8896	Portion of cash collections credited to expired accounts (–)

\* Do not report baseline data (schedule S) for the PY. MAX will automatically calculate line 8890 (the sum of lines 8800–8845).

(d) *Outlays.*

For discretionary programs, you must report outlays from end of PY balances as memorandum (non-add) entries in schedule S through BY+9. MAX will automatically copy this information to schedule A and use it (along with the outlay rates you provide) to calculate discretionary policy and baseline outlay estimates. Specifically, MAX will use the data entered for these memorandum entries (lines 9122, 9322, or 9822) to calculate the corresponding outlays from balances (lines 9121, 9321, and 98xx). If you enter these data for mandatory programs, along with outlay rates, MAX will calculate the corresponding outlays. However, you may override and change the automatically calculated mandatory outlays.

The total gross outlays reported for PY through BY in schedule A (i.e., the sum of lines 91xx through 98xx, excluding memorandum entries) must be consistent with those reported in MAX schedule P on line 7320. The distribution of PY outlays between those from new budget authority and those from balances of prior authority should be available from accounting records. Estimate the distribution of outlays for CY through BY+9 between those from new budget authority and those from balances based on experience in the timing of outlays for the respective obligations.

The following table indicates the line numbers used to report outlays. The lines apply to schedules A and S unless otherwise specified.

**OUTLAYS**

Entry	Description
9111	<p><b><i>Outlays from new authority.</i></b> The outlays from new budget authority for that year. These outlays may not exceed the sum of budget authority entries in the program and financing schedule (lines 40xx through 67xx) for that year.</p> <p>Exclude outlays from new limitations reported on line 97xx and outlays from new spending authority from offsetting collections reported on line 93xx.</p>
9121	<p><b><i>Outlays from balances.</i></b> The outlays from balances (both obligated and unobligated) of budget authority brought forward from the previous year. The sum of outlays on lines 9121 and 9221 may not exceed balances at the start of the year (lines 2140 and 7240 of schedule P), plus or minus adjustments in those balances during the year (lines 2221, 2222, 7331, 7332, and 7340 of schedule P).</p> <p>Exclude outlays from prior limitations reported on line 98xx and outlays from balances of spending authority from offsetting collections reported on line 9321.</p> <p>In schedule S, all outlays from prior year balances of non-defense accounts are classified as exempt from sequester. For defense accounts, report outlays from sequestrable unobligated balances on line 9994 in schedule S, as appropriate.</p>

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Entry	Description
<p>9122</p> <p><i>Memorandum entry</i></p>	<p><b><i>Outlays from end of PY balances.</i></b> The outlays that will occur each year (CY-BY+9) from balances of budget authority made available prior to the current year. Do not report outlays from new budget authority provided in CY-BY+9.</p> <p>Include outlay impact (+ or –) of balance transfers (lines 2221, 2222, 7331, 7332 in schedule P) and adjustments in expired accounts (line 7340 in schedule P).</p> <p>Exclude outlays from end of PY balances of prior limitations reported on line 9822 and outlays from end of PY balances of prior spending authority from offsetting collections reported on line 9322.</p> <p>MAX will copy the data entered in schedule S to schedule A and use it to calculate discretionary outlays from balances on line 9121.</p>
<p>9311</p>	<p><b><i>Outlays from new spending authority from offsetting collections.</i></b> The outlays from new spending authority from offsetting collections becoming available in that year. These outlays cannot exceed the total amount reported on lines 68xx and 69xx of the program and financing schedule for that year.</p>
<p>9321</p>	<p><b><i>Outlays from balances of spending authority from offsetting collections.</i></b> The outlays from balances (both obligated and unobligated) of spending authority brought forward from a previous year.</p>
<p>9322</p> <p><i>Memorandum entry</i></p>	<p><b><i>Outlays from end of PY balances of spending authority from offsetting collections.</i></b> The outlays that will occur each year (CY-BY+9) from balances of spending authority from offsetting collections made available prior to the current year. Do not report outlays from new spending authority provided in CY through BY+9.</p> <p>Include outlay impact (+ or –) of balance transfers (lines 2221, 2222, 7331, 7332 in schedule P) and adjustments in expired accounts (line 7340 in schedule P).</p> <p>Exclude outlays from end of PY balances of budget authority reported on line 9122 and outlays from end of PY balances of prior limitations reported on line 9822.</p> <p>MAX will copy the data entered in schedule S to schedule A and use it to calculate discretionary outlays from balances on line 9321.</p>
<p>970X</p>	<p><b><i>Outlays from new limitations.</i></b> The outlays from new limitations (i.e., outlays from limitations in the year the limitations were enacted or proposed), where "X" indicates the specific limitation involved. Include outlays from spending authority from offsetting collections that are controlled through new limitations.</p>
<p>980X</p>	<p><b><i>Outlays from prior limitations.</i></b> The outlays from prior limitations (i.e., outlays from limitations that were enacted in prior years), where "X" indicates the specific limitation involved. Include outlays from spending authority that are controlled through prior limitations. In schedule S, classify outlays from prior limitations as exempt from sequester.</p>
<p>9822</p> <p><i>Memorandum entry</i></p>	<p><b><i>Outlays from end of PY balances of prior limitations.</i></b> The outlays that will occur each year (CY-BY+9) from balances of limitations that were enacted prior to the current year. Do not report outlays from limitations enacted or proposed for CY through BY+9.</p> <p>Exclude outlays from end of PY balances of budget authority reported on line 9122 and outlays from end of PY balances of spending authority from offsetting collections reported on line 9322.</p> <p>MAX will copy the data entered in schedule S to schedule A and use it to calculate discretionary outlays from prior limitations balances on line 98xx.</p>



**SECTION 81— POLICY AND BASELINE ESTIMATES OF BUDGET AUTHORITY,  
OUTLAYS, AND RECEIPTS (SCHEDULES A, S, R, AND K)**

Entry	Description
9901 <i>Memorandum entry</i> <i>Only applies to schedule A</i>	<b>Additional net outlays to cover cost of fully accruing retirement.</b> The additional <i>net</i> outlays required to pay the full share of accruing employee pensions and annuitant health benefits for PY through BY+9. MAX will calculate these amounts from the data entered on line 9900 using a 100% spendout rate.
9994 <i>Memorandum entry</i>	<b>Outlays from sequestrable unobligated balances.</b> Report only for accounts in function 050, national defense. <i>Only applies to schedule S (for CY through BY+1).</i>

\*Do not report baseline data (schedule S) for the PY.

(e) Receipts data

You must report data on all collections deposited in receipt accounts (i.e., receipts and offsetting receipts) in schedules R and K. The line numbers for offsetting receipts are also used to designate receipt character classification (see [section 84.4](#)). Only one character classification (line number) is valid for each receipt account. The following table indicates the line numbers used to report receipts in schedules K and R:

**RECEIPTS**

Entry	Title	Description*
0000-00	<i>Receipts</i>	Report all collections classified as governmental receipts (see <a href="#">section 20.7</a> ).
	<i>Offsetting receipts:</i>	Report all offsetting receipts based on the character classification of the receipts (see <a href="#">section 84.4</a> ). <i>Most offsetting receipts will be reported on line 2004-03.</i>
1330-03	Proceeds from sale of commodities	
1340-03	Receipts from sales of property or assets	
1352-03	Receipts from other physical assets	
1512-03	Receipts for education and training	
2004-03	All other offsetting receipts	

\*Baseline data (schedule K) are not reported for the PY.

## Relationships Between Schedules A, K, P, R, and S

This exhibit provides some basic tips for updating MAX. Although there are many ways to revise the database, the following approach takes advantage of the automatic copy features in MAX.

In updating the database, agencies usually complete the PY column before entering data for CY and beyond. As a general rule, users should update PY data in schedule P and, since MAX copies some schedule A data to schedule P, revise the PY column of schedule A before updating other data. For CY through BY+9, users should revise schedule S before updating schedule A, since MAX copies some schedule A data from schedule S. Likewise, since MAX copies some schedule K data to schedule R, update schedule K before schedule R.

### SCHEDULE P (PROGRAM AND FINANCING SCHEDULE)

#### For PY:

- PY obligations, balances, and outlays are automatically loaded into the obligations line (1000), balance lines (2140, 2440, 7240, and 7440), and net outlays line (9000) from the *FACTS II*.<sup>1</sup>
- Other PY data (e.g., appropriations, rescissions, etc.) should be consistent with the corresponding data reported to Treasury via *FACTS II*.
- PY end of year balances are copied to the CY column and provide a good starting point for beginning to revise the detail in this column. Note that gross outlay data for schedule P (lines 86xx) are imported from schedule A; they cannot be entered directly in schedule P.

Before updating CY and BY, agencies may wish to revise schedules S and A, as follows.

### SCHEDULE S (BASELINE BUDGET AUTHORITY AND OUTLAYS)

#### For CY-BY+9:

- Mandatory baseline budget authority, limitations, and outlays reported under transmittal code 0 must be entered in schedule S and are copied to schedule A.
- You may use MAX to calculate mandatory baseline outlays through BY+9. Enter the mandatory budgetary resources for CY through BY+9, CY and BY outlay rates, and outlays from end of PY balances of mandatory resources (9x22) to generate mandatory baseline outlays.
- MAX calculates discretionary baseline budget authority, offsetting collections, and outlays through BY+9. Enter CY discretionary budgetary resources, CY and BY outlay rates, and outlays from end of PY balances of discretionary budgetary resources to generate discretionary baseline estimates. Users may overwrite the amounts for offsetting collections (lines 6890 and 8800-8845).
- Outlays from end of PY balances of budgetary resources (lines 9x22) are copied to schedule A. MAX uses these data to calculate discretionary outlays from balances (lines 9x21) in schedules A and S.

### SCHEDULE A (POLICY BUDGET AUTHORITY AND OUTLAYS)

#### For PY:

- Enter data for mandatory and discretionary policy estimates directly into schedule A.

#### For CY-BY+9:

- Mandatory policy estimates in schedule A are copied from schedule S; to revise amounts in schedule A, change the amounts in schedule S.
- MAX calculates discretionary policy budget authority as well as offsetting collections entries for BY+1 through BY+9. Users may overwrite the amounts for offsetting collections (lines 6890 and 8800-8845).
- MAX calculates discretionary policy outlays through BY+9. Enter discretionary budgetary resources for CY-BY+4 and CY and BY outlay rates. Outlays from end of PY balances of discretionary resources (lines 9x22) must be entered in schedule S, are copied to schedule A, and are used to calculate discretionary policy outlays from balances (lines 9x21).

#### For PY-BY:

- Outlay data in schedule A will be copied to lines 86xx in schedule P.

### SCHEDULE K (BASELINE RECEIPTS)

#### For CY-BY+9:

- Mandatory current law baseline receipts must be entered in schedule K under transmittal code 0 and are copied to schedule R.
- Other baseline receipts entered in schedule K are not copied to schedule R.

### SCHEDULE R (POLICY RECEIPTS)

#### For PY:

- PY receipt data are automatically loaded in receipt accounts from Treasury data.<sup>1</sup>

#### For CY-BY+9:

- Mandatory current law policy receipts in schedule R are copied from schedule K; to revise amounts in schedule R, change the amounts in schedule K.<sup>2</sup>
- MAX calculates discretionary policy offsetting receipts for BY+1 through By+9 (based on policy growth rates). Users may overwrite these amounts.
- Other policy receipts can be entered directly to schedule R.

<sup>1</sup>PY data on these lines cannot be revised by agencies. If an agency does not agree with the obligations, balances, net outlay or receipt amounts loaded into MAX, an explanation of the differences should be submitted to the agency's OMB representative (see sections [82.19](#) and [82.20](#)).

<sup>2</sup>Applies to transmittal code 0 only. Data for other transmittal codes are entered directly in schedule A or R, as appropriate.

### Setting Up Outlay Calculations

S-4300 01 Appropriation (total) Discretionary						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CY Rates <sup>1</sup>	5.155	44.43	20.16	13.87	10.88	2.85
BY Rates <sup>2</sup>	10.12	54.13	20.10	10.83	1.50	1.32
	Year 7	Year 8	Year 9	Year 10	Year 11	Total <sup>3</sup>
CY Rates <sup>1</sup>	1.15	.75	.50	.25	.005	100.0
BY Rates <sup>2</sup>	1.05	.90	.05	---	---	100.0

S-6890 01 Spending authority from offsetting collections (total) Discretionary						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CY Rates <sup>1</sup>	100.0	---	---	---	---	---
BY Rates <sup>2</sup>	95.0	5.00	---	---	---	---
	Year 7	Year 8	Year 9	Year 10	Year 11	Total <sup>3</sup>
CY Rates <sup>1</sup>	---	---	---	---	---	100.0
BY Rates <sup>2</sup>	---	---	---	---	---	100.0

<sup>1</sup> Enter the outlay rates for the budgetary resources provided in the current year. For this purpose, Year 1 represents CY, Year 2 represents BY, etc. Outlay rates must be provided for each type of budgetary resource. *Amounts will be reported as percentages, with the option to include up to six decimal places.*

<sup>2</sup> Enter the outlay rates for the budgetary resources provided in the budget year. For this purpose, Year 1 represents BY, Year 2 represents BY+1, etc. Outlay rates must be provided for each type of resource. *Amounts will be reported as percentages, with the option to include up to six decimal places.*

<sup>3</sup> Outlay rates should total 100 percent unless the budget authority does not spend out within eleven years; the total should never exceed 100 percent.

*Note: Agencies have the option of using MAX to automatically calculate mandatory outlays.*

Setting Up Outlay Calculations -- Resource with Multiple Outlay Rates

Use multiple line sequence numbers when you have multiple outlay rates (e.g., reductions or rescissions of unobligated balances) or want to generate separate outlay data (see Exhibit 81D).

	PY	CY	BY	BY+1	BY+2	BY+3	BY+4	BY+5
BA, Limitations, and Outlays--Baseline (S)								
4300 01 Appropriations (total)								
Discretionary **OL Rates**								
Sequestrable								
Non-Pay		8,098	8,341	8,600	8,866	9,141	9,424	9,820

Estimates for BY+6 through BY+9 can be viewed by scrolling across the MAX screen.

Outlay rates (entered for line 4300 01) for non-pay. Outlay rates are entered from the EDIT SETUP OUTLAY CALCULATION menu.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CY Rates:	10.00	10.00	10.00	10.00	10.00	10.00
BY Rates:	10.00	10.00	10.00	10.00	10.00	10.00
	Year 7	Year 8	Year 9	Year 10	Year 11	Total
CY Rates:	10.00	10.00	10.00	10.00	---	100.00
BY Rates:	10.00	10.00	10.00	10.00	---	100.00

	PY	CY	BY	BY+1	BY+2	BY+3	BY+4	BY+5
4300 02 Appropriations (total)								
Discretionary **OL Rates**								
Sequestrable								
Civilian-Pay		23,296	24,438	25,464	26,533	27,648	28,809	30,019

Estimates for BY+6 through BY+9 can be viewed by scrolling across the MAX screen.

Outlay rates (entered for line 4300 02) for civilian pay. Outlay rates are entered from the EDIT SETUP OUTLAY CALCULATION menu.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CY Rates:	85.00	15.00	---	---	---	---
BY Rates:	85.00	15.00	---	---	---	---
	Year 7	Year 8	Year 9	Year 10	Year 11	Total
CY Rates:	---	---	---	---	---	100.00
BY Rates:	---	---	---	---	---	100.00

### Automatic Generation of Discretionary Outlays in Schedule A

To generate outlays automatically, enter discretionary budgetary resources and outlay rates in schedule A and enter outlays from end of PY balances in schedule S, which MAX then copies to schedule A

Budget authority reported under line sequence numbers 01-39 are rolled up into a single outlay entry with a line sequence number of 01 for each BEA category. To generate separate discretionary outlay data for programs within an account, report the corresponding budget authority using a line sequence number in the range 40-79.

On line 9111, MAX calculates outlays using the first year outlay rate for new discretionary budget authority (line 4300) reported for the year.

BA, Limitation and Outlays---Policy A	PY	CY	BY	BY+1	BY+2	BY+3	BY+4	BY+5	BY+6	BY+7	BY+8	BY+9
4300 01 751 Appropriation Discretionary **OL Rates**	40	45	50	50	50	50	50	50	50	50	50	50
9111 751 Outlays from new authority discretionary	8	9	10	10	10	10	10	10	10	10	10	10
9121 751 Outlays from balances discretionary	14	14	22	34	39	33	40	40	40	40	40	40
Line 9121 is comprised of:												
Outlays from end of PY balances	n/a	14.0	6.0	12.0								
Spendout of CY balances			15.8	6.8	13.5							
Spendout of BY balances				15.0	10.0							
Spendout of BY+1 balances					15.0	10.0	7.5					
Spendout of BY+2 balances						15.0	10.0	7.5	7.5			
Spendout of BY+3 balances							15.0	10.0	7.5	7.5		
Spendout of BY+4 balances								15.0	10.0	7.5	7.5	
Spendout of BY+5 balances									15.0	10.0	7.5	7.5
Spendout of BY+6 balances										15.0	10.0	7.5
Spendout of BY+7 balances											15.0	10.0
Spendout of BY+8 balances												15.0
9122 751 Outlays from end of PY balances discretionary		14	6	12								

Agencies enter line 9x22 information in schedule S. MAX copies the data from schedule S into schedule A. These data are necessary to generate correct amounts on lines 9x21.

Assumption:	Year 1	Year 2	Year 3	Year 4	Year 5	Total
CY outlay rates..	20.00	35.00	15.00	30.00		100
BY outlay rates..	20.00	30.00	20.00	15.00	15	100

Note.--MAX applies the BY outlay rates to budget authority for BY and beyond.

To enter CY and BY outlay rates, select "Edit," "Setup Outlay Calculations" from the pull down menu (see exhibits 81B and 81C).

Outlays from balances equal outlays from end of PY balances in BY+1 plus third year spendout of CY balances plus second year spendout from BY balances. Outlays from balances in other years are calculated by MAX in a similar manner.

The shaded portion of this exhibit displays calculations needed to generate outlays from balances. While not visible on this MAX screen, the calculations can be reviewed by selecting "View," "Outlay Calculations" from the pull down menu. (Although displayed in a different format in MAX, the method of calculation is the same.)