

GAO

Report to the Ranking Minority Member,
Committee on Budget, U.S. Senate

September 1994

BUDGET OBJECT CLASSIFICATION

Origins and Recent Trends





United States
General Accounting Office
Washington, D.C. 20548

Accounting and Information
Management Division

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The Honorable Pete V. Domenici
Ranking Minority Member
Committee on Budget
United States Senate

Dear Senator Domenici:

This report responds to your request for background information on budget object classes. Specifically, as agreed with your office, we define object classifications; discuss their origins, development, and use; present historical trend data; and comment on recent actual and proposed uses of object class data to reduce federal administrative costs.

The budgetary information presented in this report was developed from an automated system used by the Office of Management and Budget (OMB) to collect and process information for the President's annual budget request. Although these data were not verified at the individual budget account level, we did summarize and reconcile fiscal year obligations by object class to published sources. Appendix I provides additional details on our scope and methodology.

Results in Brief

Object classification, one of several ways to present budgetary information, is concerned with the personal and contractual services obtained, capital assets acquired, and other charges and payments made by government—that is, the means of public programs. During the federal government's first century, object-of-expenditure appropriations, one of several actions initiated by the Congress during this period to control executive actions, became the predominant means to provide budgetary authority. However, by the early twentieth century, due to the institution of other less direct means of control and to the increasing complexity of the federal government, objects of expenditure gradually gave way to appropriations based on programs, projects, and activities and became supplementary, rather than defining, data within the federal budget process.

During fiscal years 1971 through 1993, object class obligation trends have mirrored the better known trends exhibited by federal outlays.¹ For

¹Obligations are binding agreements—orders placed, contracts awarded, services received, etc.—that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations legally can be incurred. Outlays are payments to liquidate obligations.

example, gross obligations for interest charges and “transfer payments,” such as grants and social and health insurance, have grown at about twice the rate of U.S. gross domestic product (GDP). Correspondingly, gross obligations for what remains—the “operating costs” of the federal government—represent a declining share of total obligations, growing at less than one-half the pace of overall economic growth. In fact within this category of obligations, only a few object classes—personnel benefits; rent, communications, and utilities; consulting and other services; and equipment—have shown real growth rates greater than one percent over the 23-year trend period.

In 1993, the administration, in Executive Order 12837, sought to reduce federal administrative costs by reducing obligations for certain object classes presumed to be administrative in nature. Several bills were also introduced in the Congress designed to achieve similar results. However, using the object classification structure as a means to achieve administrative cost savings presents definitional problems because object classes do not distinguish between administrative and program costs. Moreover, the object classes targeted for reduction have experienced very low or even negative average annual growth rates since 1976.

What Are Object Classes?

Object classification is one of several ways to array financial data in budget presentations. This classification approach emphasizes the objects, rather than the results of government expenditure. Object classes are used to report obligations

“...according to the nature of the services or articles procured...Obligations are classified by the initial purpose for which they are incurred, rather than for the end product or service provided.”²

All budget classification schemes—organization, object, function, project/activity, and program—provide information that is intended to be useful to financial decision-making. Each approach is concerned, to varying degrees, with control, management, and planning. Historically, object classification is the second most common scheme for presenting budgetary information, following only organizational classifications, and is largely used for control purposes.³

²U. S. Office of Management and Budget, *Preparation and Submission of Budget Estimates*, Circular A-11, August 4, 1993 (revised), Section 35.1, p. 125.

³Lee, Robert D., and Ronald W. Johnson, *Public Budgeting Systems* (Baltimore, Md: University Park Press, 1973), pp. 238-248.

Currently, in the federal budget process, object class data are required for all expenditure accounts, except credit financing accounts, and are unique in that they are the only budget presentation based solely on obligations, rather than budget authority or outlays. OMB provides detailed definitions for, and instructions on recording obligations by object class in Circular No. A-11, Preparation and Submission of Budget Estimates, and Circular No. A-34, Instructions on Budget Execution. Table 1 displays the object series and classes used within the federal budget process.

Table 1: Object Classification Structure

Object class	Standard title	Examples of obligations
Series 10 Personal Services and Benefits		
11.0	Personnel compensation	Gross compensation for personal services rendered to the government by federal civilian, military, and nonfederal personnel
12.0	Personnel benefits	Benefits for currently employed federal civilian, military, and certain nonfederal personnel
13.0	Benefits for former personnel	Retirement benefits, severance pay and other benefits due to former employees or their survivors
Series 20 Contractual Services and Supplies		
21.0	Travel and transportation of persons	Transportation, subsistence and other expenses incident to authorized travel, paid either directly by the government or by reimbursing the traveler
22.0	Transportation of things	Contractual obligations for, care during, and other services incident to the transport of things
23.0	Rent, communications, and utilities	Charges for the possession and use of land, structures, or equipment owned by others, and for communication and utility services
24.0	Printing and reproduction	Charges for contractual printing and reproduction, and related composition and binding expenses
25.0	Consulting and other services	Contractual obligations for consulting (advisory and assistance) and other services; purchase of goods and services from other federal agencies and accounts; operations of government-owned, contractor-operated facilities; research and development contracts
26.0	Supplies and materials	Charges for consumable commodities
Series 30 Acquisition of Capital Assets		
31.0	Equipment	Charges for the purchase of personal property expected to have a period of service of a year or more (e.g., furniture, tools and instruments, machinery, data processing and telecommunications equipment, and armaments)

(continued)

Object class	Standard title	Examples of obligations
32.0	Land and structures	Charges for purchase of land, buildings and other structures, and nonstructural improvements; also includes payments from credit liquidating accounts which result in the acquisition of a physical asset rather than a loan asset
33.0	Investments and loans	Obligations for the purchase of stocks, bonds, debentures, and other securities; payments from credit liquidating accounts resulting in the government acquiring title to a note rather than physical assets
Series 40	Grants and Fixed Charges	
41.0	Grants, subsidies, and contributions	Cash payments to foreign countries, states, other political jurisdictions, corporations, associations and individuals; credit program subsidies; taxes and payments in lieu of taxes
42.0	Insurance claims and indemnities	Benefit payments from social insurance and retirement trust funds; payments for losses, claims, and judgments; payments from credit liquidating accounts where no asset is received
43.0	Interest and dividends	Payments to creditors for the use of moneys loaned, deposited, overpaid, or otherwise made available and distribution of earnings to owners of trust or other funds
44.0	Refunds	Payments to refund amounts previously received by the government to correct computation errors, erroneous billings, or other factors
Series 90	Other Charges	
91.0	Unvouchered	Charges that may be incurred lawfully for confidential purposes, not subject to detailed vouchering or reporting
92.0	Undistributed	Charges that can't be distributed to above classes, including obligations relating to transfers between federal and trust funds resulting from appropriation or general transfer authority
93.0	Limitations on expenses	Obligations made by revolving and trust funds which have annual limitations on administrative or nonadministrative expenses

Source: OMB Circular No. A-11, Preparation and Submission of Budget Estimates

Despite the apparent precision of the object classification structure, object class data can be easily misunderstood. Problems occur when assumptions are made about the nature and extent of results achieved based on a particular pattern of object class obligations. Because object

classes group obligations according to the “articles procured...rather than...the...service provided,” any conclusion about end results can be misleading. For example, recorded equipment obligations (object class 31) do not necessarily represent total equipment purchases within a budget account; an agency could obtain similar items as “contractor-furnished equipment” under an existing contract and properly record the obligation against object class 25. Similarly, contractual obligations (object class 25) for consulting services may not capture the full extent of expert consultant services within an account. Agencies could also obtain an expert consultant through a term appointment, with the obligation properly recorded as personnel compensation (object class 11), or through a grant, with the consultant subsequently hired by the grantee (object class 41). Thus, using object class data to draw conclusions about the results achieved can be problematic.

History and Development of Object Classes

The object-of-expenditure perspective can be traced to the development of the accounting discipline, with its insistence on vouchers detailing the item purchased. In this country, the concept of a budget developed in local governments from this initial emphasis on the approval of vouchers. Budgets were intended to be financial and accounting devices, in which detailed estimates of the items needed to operate a governmental unit became the focus for both review and disbursement.⁴ The principal objective of the budget was to “promote ‘accountability’ by preventing public funds from being stolen, used for unauthorized purposes, or spent at uncontrolled rates.”⁵

At the national level—notwithstanding the control orientation of the constitutional requirement that “no money shall be drawn from the Treasury but in consequence of appropriations made by law”⁶—the earliest federal appropriation acts did not emphasize objects of expenditure. For example, the general appropriation act of 1789 was about 150 words in length and provided only four broad authorizations.⁷ In fact, the lack of specificity was the most notable characteristic of early

⁴Emmerich, Herbert and Joseph E. McLean, “Symposium on Budget Theory,” in *Government Budgeting: Theory, Process, Politics*, ed. Albert C. Hyde and Jay M. Shafritz (Oak Park, IL: Moore Publishing Company, 1978), pp. 33-35; and Alan Walter Steiss, *Public Budgeting and Management* (Lexington, Ma.: Lexington Books, 1972), p. 150.

⁵Gross, Bertram M., “The New Systems Budgeting,” in *Government Budgeting: Theory, Process, Politics*, *op. cit.*, p. 147.

⁶Article I, section 9, clause 7, typically referred to as the Appropriations Clause.

⁷1 Stat. 95.

appropriation acts and laid the foundation for a long-standing debate over the proper balance between legislative control and executive flexibility.⁸

During the federal government's first century, a variety of laws were enacted to better define the Congress' exclusive "power of the purse." Generally, these laws were reactions to real or perceived abuses by the executive branch and were intended to "restore executive respect for...appropriation laws."⁹ Some of the most notable examples include:

- the requirement for specific appropriations, 31 U.S.C. 1301(a), originally passed in 1809, which stated that appropriations shall be applied only to the objects for which the appropriations were made;
- the prohibition of transfers between accounts, 31 U.S.C. 1532, originally passed in 1868, which ended commingling of current appropriations and diverting unexpended balances to different purposes;
- the cancellation of unexpended balances, 31 U.S.C. 1551, originally passed in 1874, which specified time periods after which unexpended balances were "covered into the Treasury" (i.e., lapsed); and, perhaps most importantly,
- the prohibition of "coercive deficiencies," 31 U.S.C. 1341, originally passed in 1870 and strengthened via amendments in 1905 and 1906, which banned spending or commitments to spend in advance or in excess of appropriations.¹⁰

This first century of appropriation law dealt not only with broad questions of authority but also with more specific and basic questions of control. "Distrustful of the administration, (the Congress) sought to leave as little as possible to executive decision."¹¹ Object classifications, so well suited to a control perspective, became the predominant approach to provide and define budgetary authority. Appropriation laws reflected greater and

⁸For discussions of the history of line item and lump sum budgets, see Wilmerding, Lucius, Jr., *The Spending Power: A History of the Efforts of Congress to Control Expenditures* (New Haven, CT: Yale University Press, 1943), and Louis Fisher, *Presidential Spending Power* (Princeton, NJ: Princeton University Press, 1975), pp. 59-74.

⁹Wilmerding, *op. cit.*, p. 149.

¹⁰For discussions of the history and implications of these actions see Wilmerding, *op.cit.*, pp. 73-76, 118-131, and 144-148; and also *Principles of Appropriation Law - Volume I*, (GAO/OGC-91-5, July 1991) pp. 2-20ff, 4-2ff, and 5-57ff; and *Volume II*, (GAO/OGC-92-13, December 1992), pp. 6-9ff.

¹¹Wilmerding, *op.cit.*, p. 149.

greater detail to ensure that the executive branch did not spend needlessly to achieve defined purposes.¹²

The first comprehensive argument against object-of-expenditure appropriations came in 1912 from President William Howard Taft's Commission on Economy and Efficiency. The Commission argued that the Congress

"...has not only assumed to settle questions of policy, but also through...minuteness of detail...has deprived the executive branch...of the exercise of discretion....While the purpose has been to prevent the misuse of power, the effect has been to relieve administrative officials of responsibility."¹³

The Taft Commission opposed object-of-expenditure appropriations and recommended a national budget process in which actual and estimated expenditures would be supported by "the greatest detail in showing what is the actual or prospective cost of things bought or to be bought," but that "none of this class of items will appear in the appropriations."¹⁴

During the 1920s, two major pieces of legislation, when coupled with the earlier reforms which had helped to curb administrative abuses, allowed the Congress to begin to move away from object-of-expenditure appropriations. First, the Budget and Accounting Act of 1921—the direct if somewhat belated result of the Taft Commission and commonly considered the genesis of federal budgeting—required that the President prepare and submit a budget covering the executive branch and independent agencies. This law also

- provided the statutory basis for "lump-sum appropriations...accompanied by statements showing, in such detail and form as may be necessary to inform Congress, the manner of expenditure of such appropriations;"

¹²An example of such detail is contained in the 1920 appropriations act for the Department of Agriculture. Just within the Office of the Secretary, 103 positions are specified—including eight different pay grades for law clerks, 33 messenger boys, and "one tinner's helper." (41 Stat. 236).

¹³Commission on Economy and Efficiency, *The Need for a National Budget*, U.S. House of Representatives, 62d Congress, 2d session, Document No. 854 (Washington, DC, 1912), p. 72.

¹⁴*Ibid.*, p.211-212. This call for change may have provoked the first statutory requirement for object of expenditure information within budget submissions. The 1916 appropriation for the "civil expenses of the Government" (38 Stat. 680, August 1, 1914)—the forerunner to today's Treasury, Postal Service, and General Government appropriations acts—contained the original general provision which required statements of estimated and actual expenditures "for each other object or class of expenditure" within any general or lump sum appropriation request.

- created the Bureau of the Budget with the “authority to assemble, correlate, revise, reduce or increase the estimates of the several departments;” and
- created the General Accounting Office by consolidating the auditing and settlement functions of several Treasury Department offices.¹⁵

Second, the Classification Act of 1923 provided the first systematic personnel classification scheme for the federal government.¹⁶ This act required that positions be classified and graded according to their duties and responsibilities, and that a standard pay schedule be established for each class and grade, regardless of department. Through this legislation, the Congress eliminated the need to specify individual positions and pay levels in separate appropriation acts.

The effect of these changes, during the 1930s and thereafter, was not only to reduce detail in appropriation acts, but also, gradually, to free appropriations from their focus on specific items of expenditure. These reforms provided both “before-the-fact” control, through centralized processes and standards, and “after-the-fact” control, through independent reviews and audits of executive expenditures. Thus, the need for the Congress to control executive actions directly via object-of-expenditure appropriations—coupled with the practical difficulty of doing so given the rapid growth of the federal government during this period—was lessened.

This does not mean that object class data disappeared with object-of-expenditure appropriations.¹⁷ Although appropriations began to reflect an organizational, functional, and project/activity perspective, object class data were retained as subsidiary schedules in budget presentations, providing the Congress with comparative information on the “means” of public programs—the how, in addition to the how much.¹⁸

The Congress formally expressed its desire for “a budget based on functions, activities and projects,” rather than objects of expenditure, with

¹⁵42 Stat. 20.

¹⁶42 Stat. 1488.

¹⁷In fact, the control focus merely shifted. During the 1920s and 1930s, the Bureau of the Budget developed elaborate review processes based on object-of-expenditure data to control (i.e., reduce) agency budget requests. See, for example, Allen Schick, “The Road to PBB: The Stages of Budget Reform,” *Public Administration Review* (December, 1966).

¹⁸For additional discussion on the use of object class data in congressional budget and oversight processes, see Schick, Allen, *Budget Innovation in the States*, (Washington, DC: The Brookings Institution, 1971), pp. 180-185; and Silverman, Eli B., “Public Budgeting and Public Administration: Enter the Legislature,” in *Government Budgeting: Theory, Process, Politics*, op. cit., pp. 340-342.

the passage of the Budget and Accounting Procedures Act on September 12, 1950.¹⁹ This act, the first substantive revision of the 1921 Budget and Accounting Act, was intended to implement the budgetary recommendations of the 1949 Hoover Commission, including specifically the recommendation to enact “performance budgets.” The Commission believed that performance budgets “...would focus attention upon the general character and relative importance of the work to be done, or upon the service to be rendered, rather than upon the things to be acquired... (which) are, after all, only the means to an end.”²⁰

Commenting on the intent of this legislation, the Chairman of the Senate Committee on Expenditures in the Executive Departments said that

“The performance budget is essential to sound congressional action on appropriation requests....This does not mean that Congress should not examine carefully how much personal services, supplies, and equipment are needed, but emphasizes that Congress wants to know what work or service is to be accomplished and what that work or service will cost.”²¹

During consideration of this legislation, members of the House Appropriations Committee proposed an amendment specifically designed to ensure continued access to object-of-expenditure information, which they believed was necessary for review and oversight of budget requests. This amendment was enacted as Section 102(c) of the act and is codified at 31 U.S.C. 1104. In defining the President’s authority to “prepare budgets of the United States Government,” the law states:

“The President shall include with the budget and proposed appropriations information on personnel and other objects of expenditure in the way that information was included in the budget for fiscal year 1950.”²²

Thus, the 1950 Budget and Accounting Procedures Act not only expressed the Congress’ intent that, “The Budget shall set forth in such form and detail as the President may determine...the functions and activities of the Government”—in the idiom of the time, a “performance budget”—but also formally enacted the requirement that object-of-expenditure information be included in “the budget and proposed appropriations.”

¹⁹64 Stat. 833.

²⁰Commission on Organization of the Executive Branch of the Government, Budgeting and Accounting, February, 1949, p. 8.

²¹Statement by Senator John L. McClellan, 64 Cong. Rec. 12245, August 9, 1950.

²²31 U.S.C. 1104(b).

Although this law has remained unchanged since 1950, the Congress recently has reaffirmed its commitment to performance-based oversight of the executive branch. In the Chief Financial Officers Act of 1990 and the Government Performance and Results Act of 1993, the Congress has provided a legislative foundation for developing reliable cost information and performance data. The former has already achieved improvements in the accuracy and utility of financial data, while the latter will use a building-block approach and pilot projects to establish links between budgeted levels and performance. The implication of these initiatives on the need for and use of object-based information within the federal budget process remains an open question.

Object Class Expenditure Trends

Included as appendixes to this letter are a variety of trend analyses based on object class data. After discussions with your office, we focused on two questions.

- Which object classes are growing, both in real terms and also as a share of total federal obligations?
- Which departments and agencies, and which budget accounts, are responsible for the majority of fiscal year 1993 obligations within each object class?

Since fiscal year 1971, all object series, but not all object classes, have shown real growth. Appendix II provides information on the average annual growth rates and changing relative shares for gross obligations within object series and classes.

- As expected, object series 40 obligations, covering interest costs and "transfer payments," have steadily grown as a share of total federal obligations and at nearly twice (5.05 percent) the rate of growth for the U.S. economy, as measured by the GDP (2.58 percent). All object classes within series 40, including obligations for grants, insurance, interest and refunds, have shown comparably high growth rates.
- For object series 10, 20, and 30, representing what could be considered the federal government's "operating expenses," overall real growth was less than half (1.09 percent) the rate of increase in U.S. GDP (2.58 percent). Specifically, obligations for personal services and benefits grew at an average annual rate of 1.25 percent; contractual services and supplies, 1.24 percent; and acquisition of capital assets, only 0.41 percent. Within these series, several object classes experienced very low or even negative real growth during this period, including personnel compensation

(0.35 percent), travel and transportation of persons (0.14 percent), transportation of things (-1.55 percent), printing and reproduction (0.32 percent), supplies and materials (-2.21 percent), land and structures (0.66 percent), and investments and loans (-1.86 percent).

Appendix III provides detail on those budget accounts, by object class and major department, which obligated \$100 million or more in fiscal year 1993. Although this threshold might appear to be restrictive, it allowed identification of budget accounts which collectively were responsible for 90 percent or more of gross obligations in all object classes except three: rent, communications, and utilities (79 percent); travel and transportation of persons (62 percent); and printing and reproduction (43 percent).

Reducing Administrative Expenses Through Object Class Limitations

In 1993, the administration used, and some members of the Congress proposed using, object class data as a means to reduce federal administrative costs. In Executive Order 12837, the administration specified a subset of object class data as a means to determine an "administrative expense base" for each department and agency, which was then subject to required percentage reductions. In several bills introduced in the last session of the Congress, specific object classes were defined as "administrative" or "overhead" expenses and targeted for reductions.²³

These initiatives raise various issues, including the following.

- Using object classifications as a proxy for administrative expenses poses serious definitional problems. Object class data only address the things bought, not the reasons for the expenditures. Thus, travel costs may be incurred for training sessions or field studies by nuclear facility inspectors; contractors may be employed for janitorial services or to operate a tracking facility for manned space missions; and equipment purchased might include postage machines or battleships. In any practical sense, distinguishing mission from overhead costs through object classifications is highly problematic.²⁴
- Both the Executive Order and the congressional proposals specified a subset of object classes which, at least in recent years, have shown low growth and represent a declining share of total federal obligations. As

²³S. 1004, introduced by Senator Brown, "to limit amounts expended by certain government entities for overhead expenses;" and S. 1524, introduced by Senator Hutchison, and H.R. 3250, introduced by Representative Lamar Smith, "to reduce administrative expenses."

²⁴For a discussion of this and other definitional questions, see *Budget Issues: Assessing Executive Order 12837 on Reducing Administrative Expenses* (GAO/AIMD-94-15, November 17, 1993).

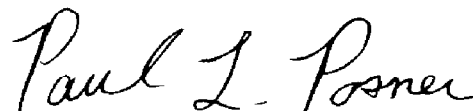
described in appendix IV, if the affected object classes are reconstructed using fiscal year 1976 obligations as a base year, each proposal shows, subject to certain data limitations, a low, and in one case negative, average annual growth rate. Also, as shown in appendix II, because the targeted object classes account for a declining share of total federal obligations, the effect of any reduction on total spending is minimized.

- Lastly, there are uncertainties associated with using object class obligation limits to achieve net outlay effects. As discussed above, controlling obligations in a specific object class does not necessarily prevent obligations being recorded against a different object class to achieve essentially the same result. Also, as discussed in appendix I, object classes present gross obligations—that is, the separate obligations made by each appropriation account, including the “reobligation” of amounts received as reimbursements from other federal agencies. Although the Executive Order and one of the congressional proposals attempted to control for this “double-counting,” the difficulty of translating gross obligation limitations into lower net outlays remains.

We are sending copies of this report to the Chairman, Senate Committee on Budget, the Chairman and Ranking Minority Member of the House Committee on the Budget, and to other interested Members of the Congress. We will also make copies available to others upon request.

If you have any questions, I can be reached at (202)512-9573. Major contributors to this report are listed in appendix V.

Sincerely yours,



Paul L. Posner
Director, Budget Issues

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Abbreviations

DOD	Department of Defense
GAO	General Accounting Office
GDP	gross domestic product
OMB	Office of Management and Budget

Scope and Methodology

Information on the historical development and use of object classifications was developed primarily through a literature search. For trend and budget account information presented in the appendixes to this report, we obtained automated data from OMB.¹ We accumulated these data at the budget account level beginning with the fiscal year 1973 budget submission, containing fiscal year 1971 actual object class obligation data. We then aggregated these data into an object class trendfile. Although we did not verify these data at the individual budget account level, we summarized and reconciled total obligations within the trendfile—by fiscal year and by object class—to published sources.

It is important to note that object class data reflect reported gross federal obligations. For each budget account, departments and agencies report total obligations, including obligations made to other departments and agencies, which are then “reobligated” by the receiving account. For example, one agency may obligate funds to another to obtain specific services (object class 25); the receiving agency, in providing the services, may reobligate those funds for salaries and equipment (object classes 11 and 31). From a net federal outlays perspective, this “double-counting” is eliminated by recording intragovernmental transactions as offsets or deductions to outlays. However, from an object-of-expense perspective, recording gross obligations more accurately reflects the types of objects bought by each budget account and, by extension, the federal government. In fact, from the perspective of identifying the objects bought by government, “net” object class obligations would be both inappropriate and incomplete.

For appendix II, we extracted from the trendfile actual year obligations by account and summarized by object series and class. These data were converted to constant dollars using the GDP implicit deflator reported in the OMB Historical Tables. Although actual inflation experienced by specific object classes may vary from that calculated using the GDP deflator, the absence of relevant deflators for each object class necessitated use of this general deflator. A general deflator does indicate how much spending has increased—in terms of dollars of a given year—but not necessarily the amount of goods and services bought or obtained. Average annual growth rates were calculated for each object series and class.

¹As part of their annual budget submission to OMB, departments and agencies are required to report object class obligations. OMB collects and processes this information through the MAX budget system (formerly called the Budget Preparation System), which is used to prepare the President's annual budget request.

For appendix III, we extracted from the trendfile actual fiscal year 1993 obligations by account and summarized by object class. To determine the largest obligating accounts by object class, we used an arbitrary threshold of \$100 million. Any account with less than \$100 million in obligations was excluded from the object class summary; any account with more than \$100 million in obligations was included in the appropriate appendix III table. Object series 10, personal services and benefits, was excluded from this process; by definition, the largest obligating accounts are those supporting the largest number of federal employees.

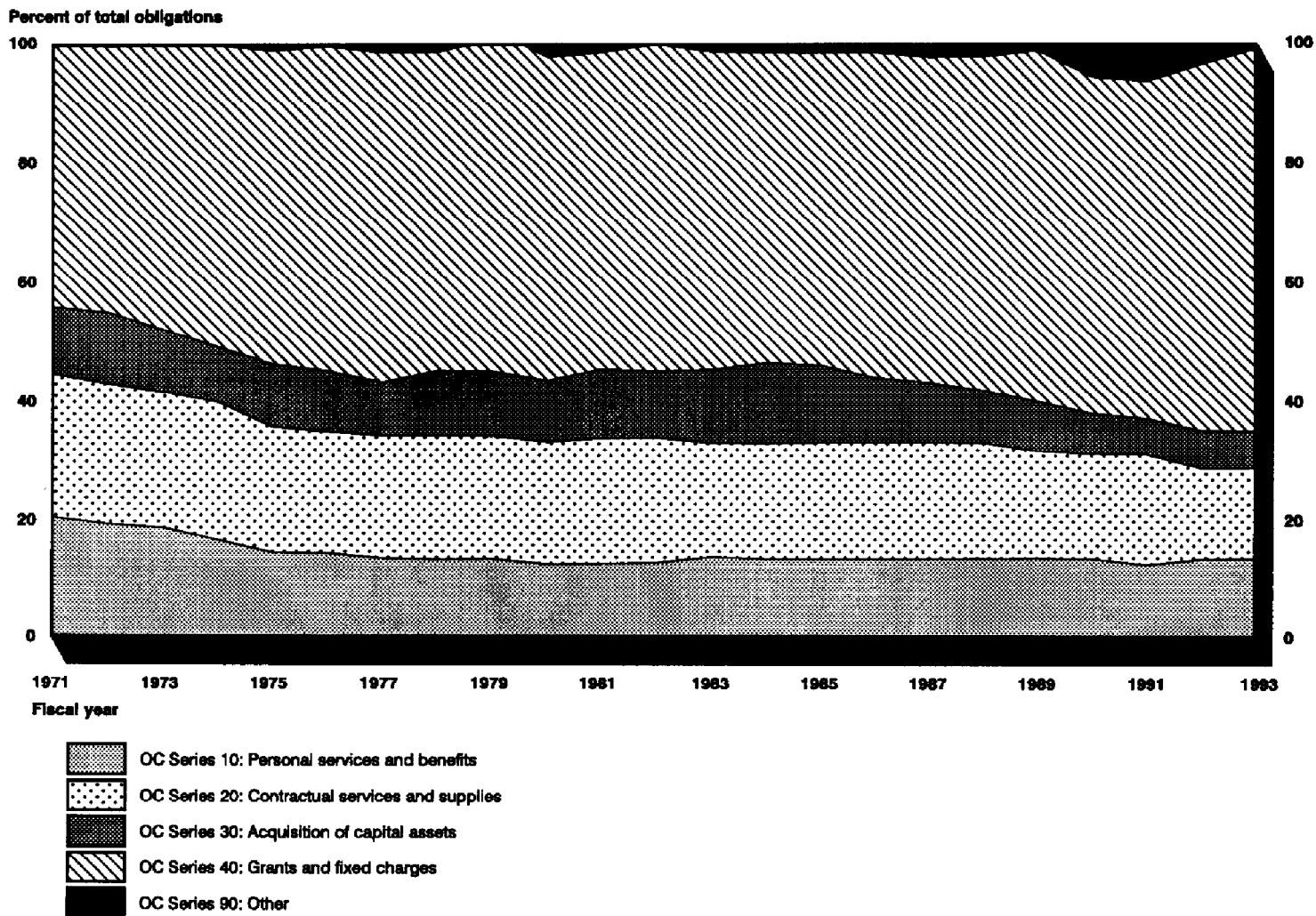
For appendix IV, we extracted from the trendfile the specific object class data associated with each proposal to reduce federal administrative costs. We deleted obligations from certain departments and agencies excluded by each proposal and, where possible, also deleted other types or classes of obligations which the proposals excluded. However, as described in appendix IV, we were not able to completely or reliably reconstruct the object class base for any of the proposals over the entire trend period. Some of the exclusions included in the specific proposals—such as those for certain obligations for “foreign assistance,” research and development contracts, or “program-related” costs—could not be extracted from the trendfile due to data limitations.

Federal Government Obligations: Fiscal Years 1971-1993

Trends in gross federal obligations, as expected, mirror better known trends in net federal outlays. Figure II.1 displays over the trend period the shift in gross federal obligations toward object series 40—grants, insurance, interest, and refunds—and away from the other object series—compensation and benefits, contractual services and supplies, and capital acquisition. This shift toward “transfer payments” and away from the “operating expenses” of the federal government has been well documented. (See, for example, Budget Policy: Prompt Action Necessary to Avert Long-Term Damage to the Economy (GAO/OCG-92-2, June 5, 1992).) Figure II.1 also shows the significant but transient effect of object series 90 (object class 92) obligations associated with the resolution of insolvent thrift institutions between fiscal years 1990 and 1992.

Appendix II
 Federal Government Obligations: Fiscal
 Years 1971-1993

Figure II.1: Share of Obligations by Object Series: Fiscal Years 1971-1993



Although relative shares have clearly changed over this period, a somewhat different perspective is presented by the average annual growth rates for the separate series and classes, as shown in table II.1.

**Appendix II
Federal Government Obligations: Fiscal
Years 1971-1993**

**Table II.1: Object Class Average
Annual Growth Rates: Fiscal Years
1971-1993**

Object class	Standard title	Real growth rate (Percent)
Series 10	Personal Services and Benefits	1.25
11.0	Personnel compensation	0.35
12.0	Personnel benefits	4.29
13.0	Benefits for former personnel	2.98
Series 20	Contractual Services and Supplies	1.24
21.0	Travel and transportation of persons	0.14
22.0	Transportation of things	-1.55
23.0	Rent, communications and utilities	3.20
24.0	Printing and reproduction	0.32
25.0	Consulting and other services	2.98
26.0	Supplies and materials	-2.21
Series 30	Acquisition of Capital Assets	0.41
31.0	Equipment	1.71
32.0	Land and structures	0.66
33.0	Investments and loans	-1.86
	Subtotal: "Operating Expenses" (Object Series 10/20/30)	1.09
Series 40	Grants and Fixed Charges	5.05
41.0	Grants, subsidies and contributions	4.46
42.0	Insurance claims and indemnities	4.67
43.0	Interest and dividends	6.62
44.0	Refunds	10.47
Series 90	Other Charges	7.29
91.0	Unvouchered	2.02
92.0	Undistributed	10.90
	All Object Classes	3.28
	U.S. Gross Domestic Product	2.58

Source: OMB MAX budget system and the Economic Report of the President

As shown in table II.1, all object series have shown some real growth during this period, but object series 40 has experienced a significantly higher growth rate over this period, 5.05 percent, than the other object series. Real growth in object series 10, 20, and 30 has been a relatively modest 1.25 percent, 1.24 percent, and 0.41 percent, respectively. Overall,

Appendix II
Federal Government Obligations: Fiscal
Years 1971-1993

from 1971 through 1993, average annual growth for these “operating expenses” of the federal government has been 1.09 percent—less than one-half the growth rate for the U.S. economy (2.58 percent), as measured by the GDP. Within the separate object classes, the picture is equally varied, with some “operating expenses” experiencing very low or even negative growth rates (e.g., supplies and materials, investments and loans, transportation of things, travel, printing, and personnel compensation).

Appendix II
 Federal Government Obligations: Fiscal
 Years 1971-1993

Figure II.2: Share of Obligations for Object Series 40: Grants and Fixed Charges

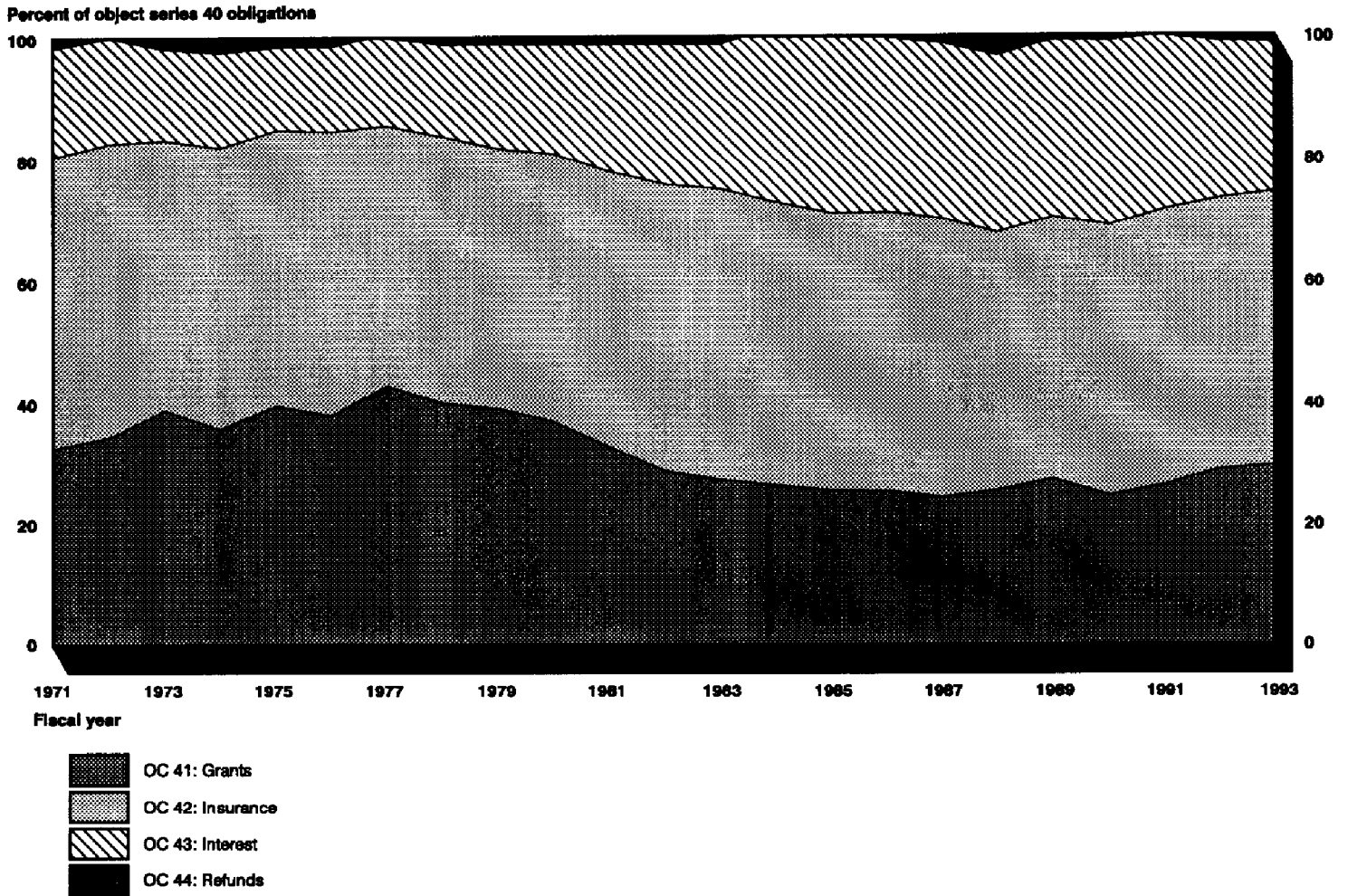
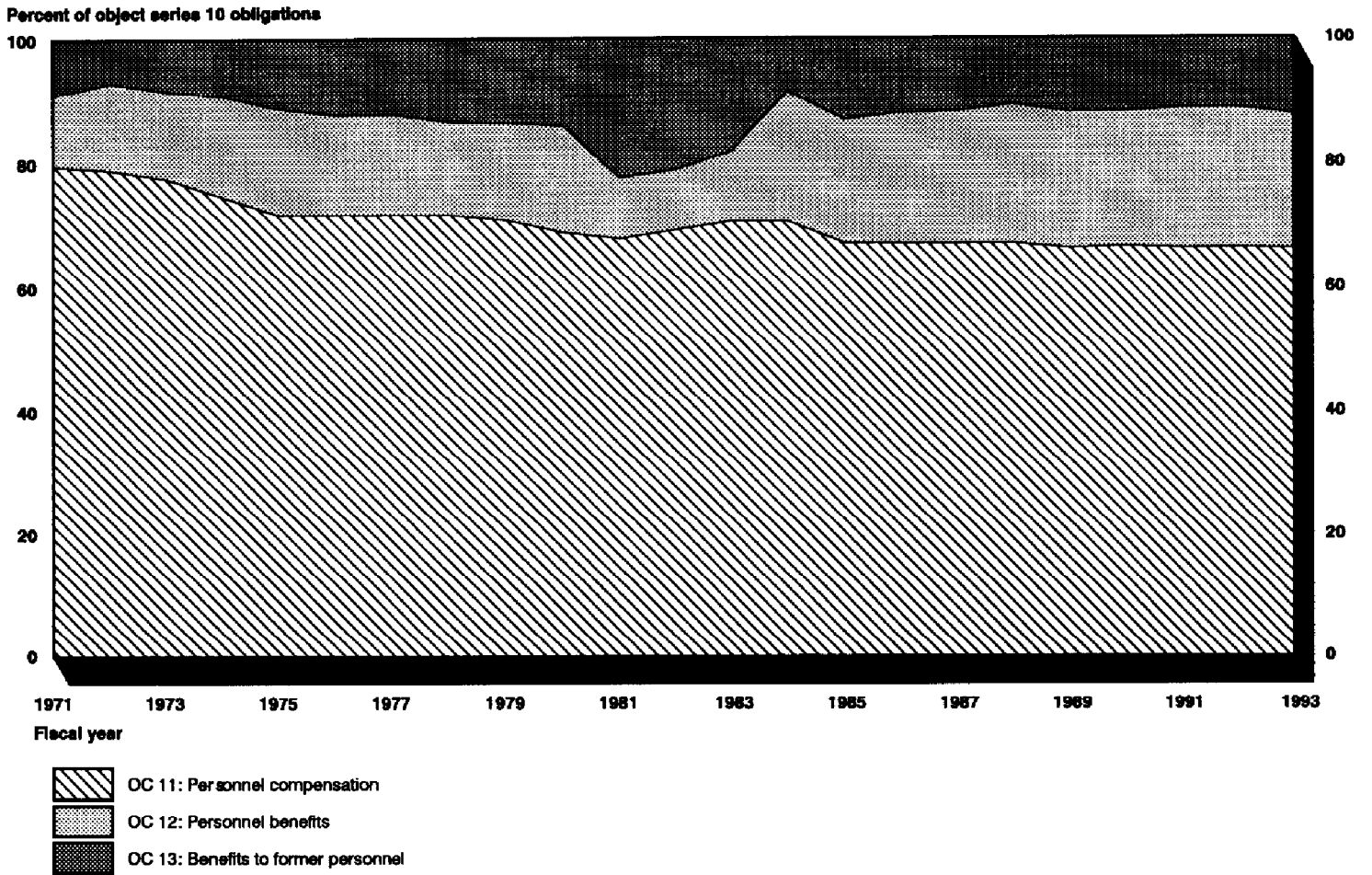


Figure II.2 displays the relative change in obligations for object classes within series 40, with the most consistent and highest growth associated with federal interest payments. However, as shown in table II.1, all series 40 object classes have experienced growth substantially greater than that for the U.S. economy in general.

(See also appendix III, tables III.10 through III.13, for a listing of fiscal year 1993 budget accounts obligating \$100 million or more in series 40 object classes.)

Appendix II
Federal Government Obligations: Fiscal
Years 1971-1993

Figure II.3: Share of Obligations for Object Series 10: Personal Compensation and Benefits



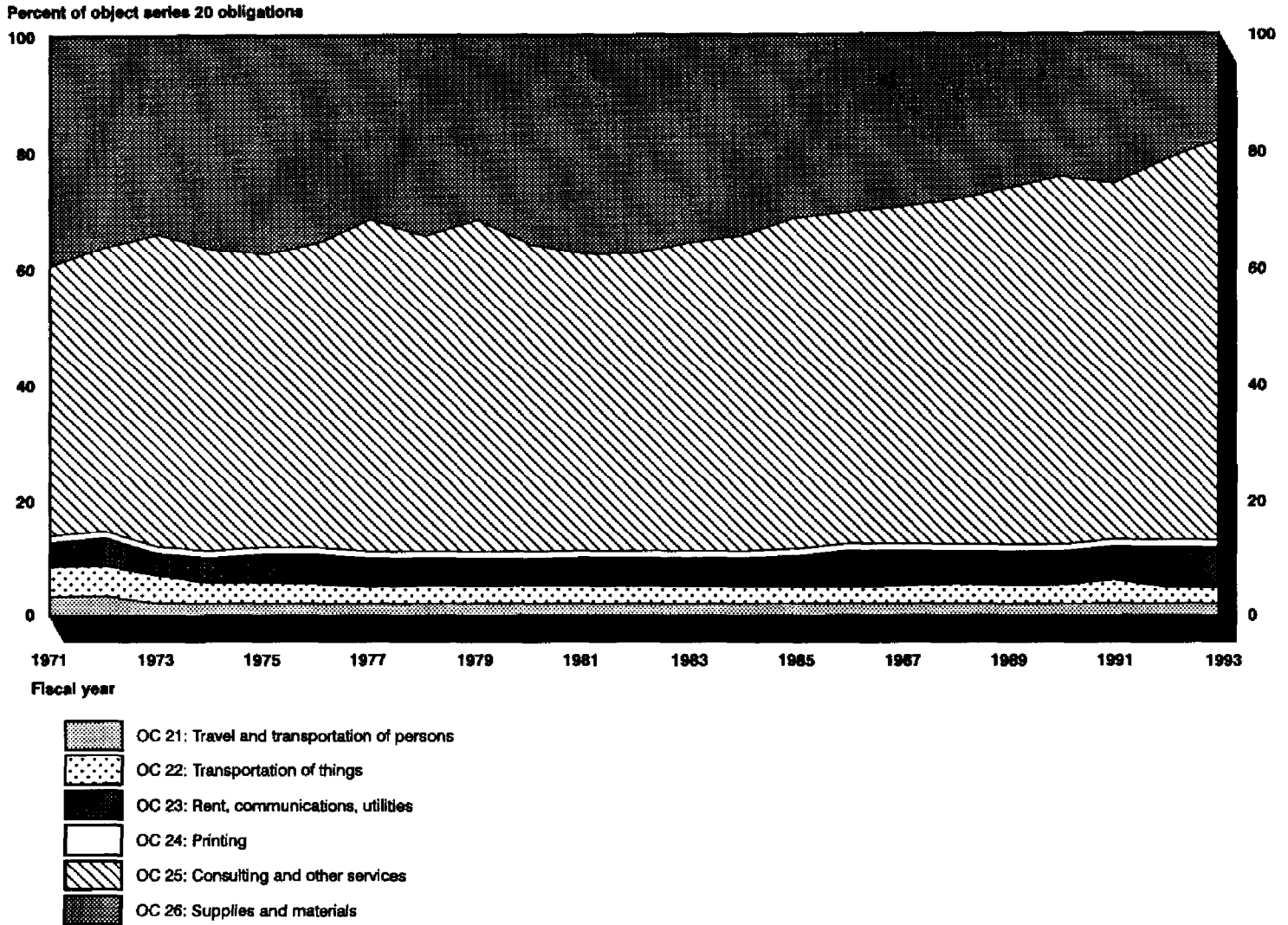
**Appendix II
Federal Government Obligations: Fiscal
Years 1971-1993**

Obligations for object series 10 have steadily fallen as a share of total federal obligations during this period (figure II.1), but have shown an overall growth rate of 1.25 percent (table II.1). Two components of series 10, benefits for current and former personnel (object classes 12 and 13), have principally accounted for this growth—4.29 percent and 2.98 percent, respectively. As figure II.3 shows, personnel compensation obligations have fallen during this period from 80 percent of series 10 obligations to about 66 percent. Average annual growth for personnel compensation was only 0.35 percent during this period.

The change in relative shares within this object series is attributable to several factors, but most notably the 1985 decision to finance on a full accrual basis military retirement benefits and, in 1986, civilian employee benefits for those hired after 1983. This effectively increased agencies' current year obligations to the employee retirement trust funds. The unusual trendline which occurs between 1980 and 1981 is due to changing conventions concerning the object class recording of payments to the civil service retirement and disability fund.

Appendix II
 Federal Government Obligations: Fiscal
 Years 1971-1993

Figure II.4: Share of Obligations for Object Series 20: Contractual Services and Supplies



Some of the most significant changes in federal spending patterns during this period have occurred in object series 20. The shift toward increased use of contractors (object class 25), for such activities as management and professional support services and for analytical, evaluative, engineering, and technical services, reflects both the changing role of the federal government and the need to meet this change through other than direct federal employment. The decline in obligations for supplies and materials is also related, as more of these needs are fulfilled under contracts.

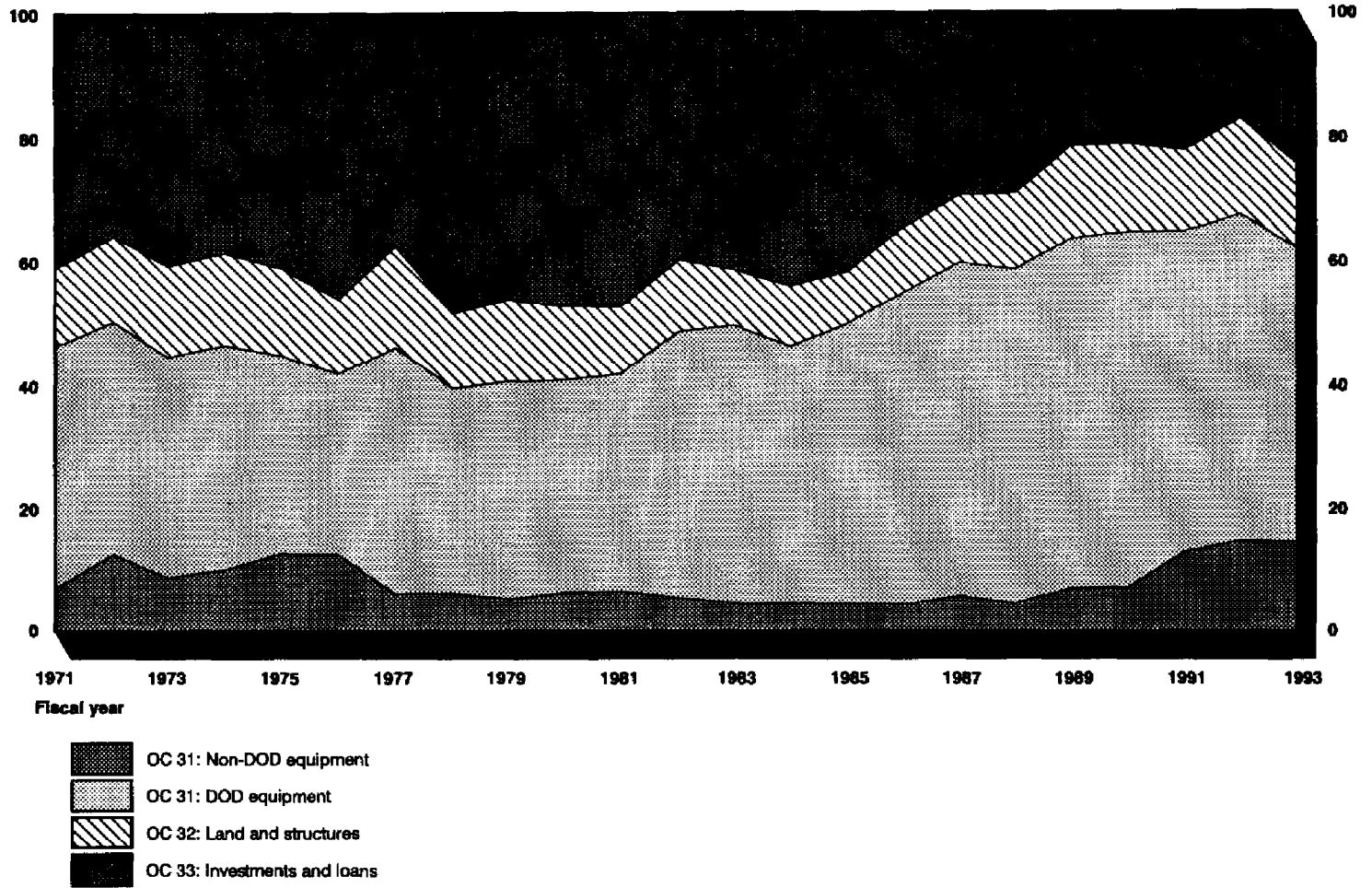
As shown in table II.1, other object classes within this series show negative or very low average growth rates, with the exception of object class 23. Obligations within this object class are spread across many accounts and growth reflects both general increases in rental and utility costs but also the impact of modern communications capabilities and requirements.

(See also appendix III, tables III.1 through III.6, for a listing of fiscal year 1993 budget accounts obligating \$100 million or more in series 20 object classes.)

Appendix II
 Federal Government Obligations: Fiscal
 Years 1971-1993

Figure II.5: Share of Obligations for Object Series 30: Acquisition of Capital Assets

Percent of object series 30 obligations



Object series 30 obligations show highly varying patterns over this period. Obligations for the purchase of land, buildings, and other structures have been relatively constant, with an average annual growth rate of only 0.66 percent (table II.1). However, equipment obligations by the Department of Defense (DOD) decreased following the Vietnam War, then sharply increased from fiscal years 1981 through 1990, before falling off again. Non-DOD equipment obligations were rather stable during most of this period, with the increase in fiscal year 1991 and thereafter due to higher obligations by the foreign military sales trust fund. Overall, equipment acquisition has shown an average annual growth rate of 1.71 percent during this period, or about two-thirds the rate of increase in the gross domestic product.

Since the mid-1970s, object class 33 obligations for stocks, bonds, and other securities steadily fell, both as a share of object series 30 obligations and in real terms (-1.86 percent). The upturn in fiscal year 1993 obligations for these investments and loans was due to (1) an increase of nearly \$10 billion in the U.S. quota reserve with the International Monetary Fund, but which resulted in no net budget outlays, and (2) a \$3 billion increase over fiscal year 1992 in loan obligations from the Commodity Credit Corporation Fund.

(See also appendix III, tables III.7 through III.9, for a listing of fiscal year 1993 budget accounts obligating \$100 million or more in series 30 object classes.)

Fiscal Year 1993 Budget Accounts Obligating \$100 Million or More in Specific Object Classes

In this appendix, we present, by department and agency and by object class, those budget accounts reporting actual fiscal year 1993 gross obligations of \$100 million or more. This appendix was developed to give some indication of which accounts were principally responsible for federal spending within each object class in that fiscal year.

The \$100 million threshold was arbitrarily selected to limit the number of accounts included in this appendix. However, it proved not to be restrictive with respect to identifying the “drivers” of each object class. As shown at the end of each table, the selected accounts were collectively responsible for 90 percent or more of the obligations within each object class in all cases except three: object class 23, rent, communications and utilities (table III.3, 79 percent); object class 21, travel and transportation of persons (table III.1, 62 percent); and object class 26, printing and reproduction (table III.6, 43 percent).

A separate table is presented for each class except object series 10, personal services and benefits. Those object classes were excluded because, by definition, the largest obligating accounts are those supporting the largest number of employees. For all other classes, each appendix table lists the selected budget accounts in the order in which they appear in the president’s budget submission. At the end of each table, we summarize the amount of obligations included in the table, the total fiscal year 1993 obligations for the object class, and the percent of total obligations represented by the accounts included in the table.

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Table III.1: Object Class 21: Travel and Transportation of Persons

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Defense—Military		
Military Personnel	Military personnel, Air Force	\$309,532
Military Personnel	Military personnel, Army	359,572
Military Personnel	Military personnel, Navy	180,535
Military Personnel	National Guard personnel, Army	142,748
Military Personnel	Reserve personnel, Army	132,495
Military Personnel	Reserve personnel, Navy	130,763
Operation and Maintenance	Defense health program	132,380
Operation and Maintenance	Operation and maintenance, Air Force	545,925
Operation and Maintenance	Operation and maintenance, Army	792,161
Operation and Maintenance	Operation and maintenance, Defensewide	347,498
Operation and Maintenance	Operation and maintenance, Navy	374,828
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Air Force	144,600
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Army	106,887
Revolving and Management Funds	Defense business operations fund	579,796
Total		4,279,720
Department of Transportation		
Federal Aviation Administration	Operations	106,090
Department of Veterans Affairs		
Veterans Health Administration	Medical care	142,584
Other Independent Agencies		
Postal Service	Postal Service fund	129,626
Subtotal: Obligations listed in table III.1		4,658,020
Total fiscal year 1993 obligations, object class 21, all accounts		\$7,473,638
Percent of total fiscal year 1993 object class 21 obligations		62.3

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

**Table III.2: Object Class 22:
Transportation of Things**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Farm Service Agency	Commodity Credit Corporation fund	\$873,812
Department of Defense—Military		
Military Personnel	Military personnel, Air Force	578,104
Military Personnel	Military personnel, Army	785,140
Military Personnel	Military personnel, Marine Corps	112,963
Military Personnel	Military personnel, Navy	408,841
Operation and Maintenance	Operation and maintenance, Air Force	423,416
Operation and Maintenance	Operation and maintenance, Army	763,958
Operation and Maintenance	Operation and maintenance, Defensewide	376,510
Operation and Maintenance	Operation and maintenance, Navy	290,221
Revolving and Management Funds	Defense business operations fund	1,136,727
Revolving and Management Funds	Navy management fund	598,772
Total		5,474,652
Department of State		
Administration of Foreign Affairs	Diplomatic and consular programs	112,215
Other Independent Agencies		
Postal Service	Postal Service fund	3,658,819
Tennessee Valley Authority	Tennessee Valley Authority fund (Energy supply)	121,294
Total		3,780,113
Subtotal: Obligations listed in table III.2		10,240,792
Total fiscal year 1993 obligations, object class 22, all accounts		\$11,193,879
Percent of total fiscal year 1993 object class 22 obligations		91.5

Source: OMB MAX budget system

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Table III.3: Object Class 23: Rent, Communications, and Utilities

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Commerce		
National Oceanic and Atmospheric Administration	Operations, research, and facilities	\$109,461
Department of Defense—Military		
Family Housing	Family housing, Air Force	191,653
Family Housing	Family housing, Army	279,584
Family Housing	Family housing, Navy and Marine Corps	186,239
Operation and Maintenance	Defense health program	143,075
Operation and Maintenance	Operation and maintenance, Air Force	1,084,197
Operation and Maintenance	Operation and maintenance, Army	1,954,953
Operation and Maintenance	Operation and maintenance, Defensewide	416,316
Operation and Maintenance	Operation and maintenance, Marine Corps	172,177
Operation and Maintenance	Operation and maintenance, Navy	914,507
Revolving and Management Funds	Defense business operations fund	2,286,726
Total		7,629,427
Department of Energy		
Energy Programs	Uranium supply and enrichment activities	400,471
Department of Health and Human Services, Social Security		
Social Security	Federal disability insurance trust fund	532,820
Department of Justice		
Drug Enforcement Administration	Salaries and expenses	127,087
Federal Bureau of Investigation	Salaries and expenses (Defense-related activities)	224,863
General Administration	Working capital fund	288,384
Immigration and Naturalization Service	Salaries and expenses	126,230
Legal Activities	Salaries and expenses, United States Attorneys	121,543
Total		888,107
Department of Labor		

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Employment and Training Administration	State unemployment insurance and employment service operations	144,373
Department of State		
Administration of Foreign Affairs	Acquisition and maintenance of buildings abroad	168,604
Administration of Foreign Affairs	Diplomatic and consular programs	217,460
Total		386,064
Department of Transportation		
Coast Guard	Operating expenses (Defense-related activities)	154,873
Federal Aviation Administration	Operations	431,713
Office of the Secretary	Rental payments	133,470
Total		720,056
Department of Veterans Affairs		
Departmental Administration	General operating expenses	161,342
Veterans Health Administration	Medical care	467,459
Total		628,801
Department of the Treasury		
Departmental Offices	Working capital fund	108,751
Financial Management Service	Salaries and expenses	134,386
Internal Revenue Service	Information systems	248,752
Internal Revenue Service	Processing tax returns and assistance	238,310
Internal Revenue Service	Tax law enforcement	370,637
United States Customs Service	Salaries and expenses	167,257
Total		1,268,093
Environmental Protection Agency		
Environmental Protection Agency	Abatement, control, and compliance	130,622
General Services Administration		
Real Property Activities	Federal buildings fund	2,257,198
National Aeronautics and Space Administration		
National Aeronautics and Space Administration	Research and development (Space flight, research, and supporting activities)	174,367
Other Independent Agencies		
Postal Service	Postal Service fund	1,138,337

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Tennessee Valley Authority	Tennessee Valley Authority fund (Energy supply)	107,708
United States Enrichment Corporation Fund	United States Enrichment Corporation fund	104,033
United States Information Agency	Salaries and expenses	106,898
Total		1,456,976
The Judiciary		
Courts of Appeals, District Courts, and other Judicial Services	Salaries and expenses	432,598
Subtotal: Obligations listed in table III.3		17,159,434
Total fiscal year 1993 obligations, object class 23, all accounts		\$21,638,950
Percent of total fiscal year 1993 object class 23 obligations		79.3

Source: OMB MAX budget system

**Appendix III
 Fiscal Year 1993 Budget Accounts
 Obligating \$100 Million or More in Specific
 Object Classes**

**Table III.4: Object Class 24: Printing
 and Reproduction**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Defense—Military		
Revolving and Management Funds	Defense business operations fund	\$222,961
Legislative Branch		
Government Printing Office	Government Printing Office revolving fund	537,696
Subtotal: Obligations listed in table III.4		760,657
Total fiscal year 1993 obligations, object class 24, all accounts		\$1,786,014
Percent of fiscal year 1993 object class 24 obligations		42.6

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Table III.5: Object Class 25: Consulting and Other Services

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Agricultural Research Service	Agricultural Research Service	\$160,681
Farm Service Agency	Administrative and operating expenses	254,790
Farm Service Agency	Agricultural credit insurance program account	227,097
Farm Service Agency	Commodity Credit Corporation fund	1,336,008
Forest Service	Forest and rangeland protection	114,911
Forest Service	National forest system	391,672
Natural Resources Conservation Service	Watershed and flood prevention operations	156,786
Rural Housing and Community Development Service	Rural housing insurance fund program account	401,637
Total		3,043,582
Department of Commerce		
National Oceanic and Atmospheric Administration	Operations, research and facilities	604,311
Patent and Trademark Office	Salaries and expenses	102,189
Total		706,500
Department of Defense—Civil		
Corps of Engineers—Civil	Construction, general	607,430
Corps of Engineers—Civil	Flood control and coastal emergencies	236,533
Corps of Engineers—Civil	Flood control, Mississippi River and tributaries	123,785
Corps of Engineers—Civil	Harbor maintenance trust fund	446,434
Corps of Engineers—Civil	Operation and maintenance, general	562,562
Corps of Engineers—Civil	Revolving fund	2,256,779
Education Benefits	Education benefits fund	182,358
Total		4,415,881
Department of Defense—Military		
Family Housing	Family housing, Air Force	436,665
Family Housing	Family housing, Army	1,012,947
Family Housing	Family housing, Navy and Marine Corps	479,084
Military Construction	Base realignment and closure account	1,534,701
Military Construction	Military construction, Army	766,745

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Operation and Maintenance	Defense health program	11,779,125
Operation and Maintenance	Defense reinvestment for economic growth	247,786
Operation and Maintenance	Humanitarian assistance	147,170
Operation and Maintenance	Operation and maintenance, Air Force	10,261,406
Operation and Maintenance	Operation and maintenance, Air Force Reserve	287,527
Operation and Maintenance	Operation and maintenance, Air National Guard	603,497
Operation and Maintenance	Operation and maintenance, Army	9,944,770
Operation and Maintenance	Operation and maintenance, Army National Guard	460,053
Operation and Maintenance	Operation and maintenance, Army Reserve	296,103
Operation and Maintenance	Operation and maintenance, Defensewide	4,125,321
Operation and Maintenance	Operation and maintenance, Marine Corps	774,334
Operation and Maintenance	Operation and maintenance, Navy	13,766,717
Operation and Maintenance	Operation and maintenance, Navy Reserve	334,071
Operation and Maintenance	Real property maintenance, Defense	1,552,046
Procurement	Aircraft procurement, Army	917,186
Procurement	Aircraft procurement, Navy	120,662
Procurement	Chemical agents and munitions destruction, Army	362,950
Procurement	Missile procurement, Army	654,390
Procurement	Other procurement, Army	1,050,454
Procurement	Other procurement, Navy	241,405
Procurement	Procurement of ammunition, Army	450,077
Procurement	Procurement of weapons and tracked combat vehicles, Army	686,060
Procurement	Shipbuilding and conversion, Navy	374,761
Procurement	Weapons procurement, Air Force	121,625
Procurement	Weapons procurement, Navy	233,401

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Research, Development, Test, and Evaluation	Developmental test and evaluation, Defense	265,288
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Air Force	13,581,496
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Army	5,570,287
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Defensewide	9,253,821
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Navy	8,614,519
Revolving and Management Funds	Army conventional ammunition working capital fund	302,345
Revolving and Management Funds	Defense business operations fund	19,454,017
Revolving and Management Funds	National defense sealift fund	455,181
Total		121,519,993
Department of Education		
Departmental Management	Program administration	127,331
Office of Educational Research and Improvement	Education research, statistics, and improvement	123,178
Office of Postsecondary Education	Federal family education loan liquidating account	151,705
Total		402,214
Department of Energy		
Atomic Energy Defense Activities	Defense environmental restoration and waste management	3,876,042
Atomic Energy Defense Activities	Defense nuclear waste disposal	100,000
Atomic Energy Defense Activities	Materials support and other Defense programs	2,347,594
Atomic Energy Defense Activities	Weapons activities (atomic energy defense activities)	5,375,465
Departmental Administration	Departmental administration	180,707
Energy Programs	Energy conservation	291,098
Energy Programs	Energy supply, research and development activities	2,532,997
Energy Programs	Fossil energy research and development	366,212
Energy Programs	General science and research activities	625,528
Energy Programs	Naval petroleum and oil shale reserves	234,130

(continued)

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Energy Programs	Nuclear waste disposal fund	232,741
Energy Programs	SPR petroleum account (Defense-related activities)	253,421
Energy Programs	Strategic petroleum reserve (Defense-related activities)	176,129
Energy Programs	Uranium supply and enrichment activities	605,450
Power Marketing Administration	Bonneville Power Administration fund	2,786,119
Power Marketing Administration	Construction, rehabilitation, operation, and maintenance, Western Area Power Administration	236,508
Total		20,220,141
Department of Health and Human Services, except Social Security		
Assistant Secretary for Health	Service, supply, and other funds	244,748
Centers for Disease Control and Prevention	Disease control, research, and training	214,198
Food and Drug Administration	Salaries and expenses	133,347
Health Care Financing Administration	Program management	1,797,315
Health Resources and Services Administration	Health resources and services	154,215
National Institutes of Health	National Institutes of Health	1,901,028
Office of the Secretary	General departmental management	120,320
Substance Abuse and Mental Health Services Administration	Substance abuse and mental health services	144,424
Total		4,709,595
Department of Health and Human Services, Social Security		
Social Security	Federal disability insurance trust fund	1,413,164
Department of Housing and Urban Development		
Housing Programs	FHA mutual mortgage insurance program account	255,645
Housing Programs	General and special risk program account	187,000
Management and Administration	Salaries and expenses, including transfer of funds (community development)	119,216
Total		561,861
Department of Justice		

(continued)

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Drug Enforcement Administration	Salaries and expenses	208,561
Federal Bureau of Investigation	Salaries and expenses (Defense-related activities)	234,575
Federal Prison System	Buildings and facilities	428,185
Federal Prison System	Salaries and expenses	274,397
Immigration and Naturalization Service	Immigration examinations fee	299,795
Immigration and Naturalization Service	Immigration user fee	227,101
Immigration and Naturalization Service	Salaries and expenses	258,971
Interagency Law Enforcement	Organized crime drug enforcement	385,204
Legal Activities	Assets forfeiture fund	470,474
Legal Activities	Salaries and expenses, general legal activities	112,124
Legal Activities	Support of United States prisoners	268,653
Radiation Exposure Compensation	Payment to radiation exposure compensation fund	170,750
Total		3,338,790
Department of Labor		
Bureau of Labor Statistics	Salaries and expenses	103,484
Employment and Training Administration	Unemployment trust fund (Training and employment)	171,644
Total		275,128
Department of State		
Administration of Foreign Affairs	Acquisition and maintenance of buildings abroad	253,441
Administration of Foreign Affairs	Diplomatic and consular programs	705,626
Total		959,067
Department of the Interior		
Bureau of Indian Affairs	Operation of Indian programs (conservation and land management)	554,826
Bureau of Land Management	Management of public lands and resources	171,984
Bureau of Reclamation	Lower Colorado River Basin development fund	112,184
Bureau of Reclamation	Operation and maintenance	134,857

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Geological Survey	Surveys, investigations, and research	123,323
National Park Service	Construction	198,895
National Park Service	Operation of the national park system	154,794
Total		1,450,863
Department of Treasury		
Bureau of the Public Debt	Administering the public debt	168,563
Internal Revenue Service	Information systems	357,711
Internal Revenue Service	Tax law enforcement	112,838
United States Customs Service	Salaries and expenses	232,946
Total		872,058
Department of Transportation		
Coast Guard	Operating expenses (Defense-related activities)	543,113
Federal Aviation Administration	Facilities and equipment (airport and airway trust fund)	1,348,055
Federal Aviation Administration	Operations	438,023
Federal Aviation Administration	Research, engineering and development (airport and airway trust fund)	143,553
Federal Highway Administration	Federal-aid highways	304,901
Federal Transit Administration	Trust fund share of expenses	1,134,150
Maritime Administration	Ready reserve force	337,353
Maritime Administration	Vessel operations revolving fund	130,076
Research and Special Programs Administration	Working capital fund, Volpe National Transportation Systems Center	166,915
Total		4,546,139
Department of Veterans Affairs		
Veterans Health Administration	Medical care	1,605,766
Funds Appropriated to the President		
Agency for International Development	Functional development assistance program	264,864
International Peacekeeping, Regional Security and Democracy Programs	Assistance for the new independent States of the former Soviet Union	186,569
International Peacekeeping, Regional Security and Democracy Programs	Assistance to Central and Eastern Europe and other	102,369
Military Sales Programs	Foreign military sales trust fund	3,082,167

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Total		3,635,969
General Services Administration		
Information Resources Management Service	Information technology fund	1,070,827
Personal Property Activities	General supply fund	146,926
Real Property Activities	Federal buildings fund	1,884,710
Total		3,102,463
Legislative Branch		
House of Representatives	Salaries and expenses	670,127
Senate	Senators' official personnel and office expense account	193,754
Total		863,881
National Aeronautics and Space Administration		
National Aeronautics and Space Administration	Research and development (Space flight, research, and supporting activities)	6,822,391
National Aeronautics and Space Administration	Space flight, control, and data communications	5,001,073
Total		11,823,464
Office of Personnel Management		
Office of Personnel Management	Employees health benefits fund	14,546,364
Office of Personnel Management	Employees life insurance fund	1,308,958
Total		15,855,322
Other Independent Agencies		
Federal Emergency Management Agency	Disaster relief	508,454
Federal Emergency Management Agency	Emergency management planning and assistance (Defense-related activities)	137,919
Federal Emergency Management Agency	National flood insurance fund	279,646
National Science Foundation	Research and related activities (Defense-related activities)	246,603
Nuclear Regulatory Commission	Salaries and expenses	212,527
Postal Service	Postal Service fund	1,091,716
Resolution Trust Corporation	RTC revolving fund	908,169
Tennessee Valley Authority	Tennessee Valley Authority fund (Energy supply)	1,649,662
United States Enrichment Corporation Fund	United States Enrichment Corporation fund	460,706
United States Information Agency	Salaries and expenses	100,106

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Total		5,595,508
Small Business Administration		
Small Business Administration	Business loan program account	116,965
Small Business Administration	Disaster loan program account	168,000
Total		284,965
The Judiciary		
Courts of Appeals, District Courts, and Other Judicial Services	Defender services	136,086
Courts of Appeals, District Courts, and Other Judicial Services	Salaries and expenses	173,386
Total		309,472
Subtotal: Obligations listed in table III.5		213,494,797
Total fiscal year 1993 obligations, object class 25, all accounts		\$222,425,817
Percent of total fiscal year 1993 object class 25 obligations		96.0

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Table III.6: Object Class 26: Supplies and Materials

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Agricultural Marketing Service	Funds for strengthening markets, income, and supply (section 32)	\$505,808
Farm Service Agency	Commodity Credit Corporation fund	2,378,534
Food and Consumer Service	Emergency food assistance program	120,000
Food and Consumer Service	State child nutrition programs	228,209
Total		3,232,551
Department of Defense—Military		
Military Personnel	National Guard personnel, Army	122,717
Operation and Maintenance	Defense health program	1,310,306
Operation and Maintenance	Operation and maintenance, Air Force	4,075,616
Operation and Maintenance	Operation and maintenance, Air Force Reserve	293,231
Operation and Maintenance	Operation and maintenance, Air National Guard	753,176
Operation and Maintenance	Operation and maintenance, Army	3,746,116
Operation and Maintenance	Operation and maintenance, Army National Guard	696,238
Operation and Maintenance	Operation and maintenance, Army Reserve	142,025
Operation and Maintenance	Operation and maintenance, Defensewide	405,960
Operation and Maintenance	Operation and maintenance, Marine Corps	713,268
Operation and Maintenance	Operation and maintenance, Navy	3,902,360
Operation and Maintenance	Operation and maintenance, Navy Reserve	254,451
Procurement	Aircraft procurement, Navy	1,004,705
Procurement	Missile procurement, Army	575,834
Procurement	Other procurement, Navy	1,697,953
Procurement	Procurement of ammunition, Army	518,912
Procurement	Procurement of weapons and tracked combat vehicles, Army	126,429
Procurement	Procurement, Marine Corps	250,000

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Procurement	Weapons procurement, Navy	1,388,586
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Air Force	230,400
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Army	211,595
Revolving and Management Funds	Army conventional ammunition working capital fund	1,370,397
Revolving and Management Funds	Defense business operations fund	15,759,012
Total		39,549,287
Department of Health and Human Services, except Social Security		
Assistant Secretary for Health	Service, supply, and other funds	130,924
Centers for Disease Control and Prevention	Disease control, research, and training	204,095
Indian Health Services	Indian Health Services	110,539
National Institutes of Health	National Institutes of Health	121,980
Total		567,538
Department of Justice		
Federal Prison System	Federal Prison Industries, Incorporated	227,552
Federal Prison System	Salaries and expenses	196,119
Total		423,671
Department of Transportation		
Coast Guard	Operating expenses (Defense-related activities)	384,394
Department of Veterans Affairs		
Departmental Administration	Supply fund	498,196
Veterans Health Administration	Canteen service revolving fund	133,067
Veterans Health Administration	Medical care	2,074,628
Total		2,705,891
Department of the Treasury		
Department of the Treasury	Bureau of Engraving and Printing fund	116,023
United States Mint	Numismatic public enterprise fund	311,491
Total		427,514
Funds Appropriated to the President		
Military Sales Programs	Foreign military sales trust fund	1,499,353
General Services Administration		
Personal Property Activities	General supply fund	1,997,309

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
National Aeronautics and Space Administration		
National Aeronautics and Space Administration	Research and development (space flight, research, and supporting activities)	185,363
Other Independent Agencies		
Postal Service	Postal Service fund	993,150
Tennessee Valley Authority	Tennessee Valley Authority fund (energy supply)	1,543,434
United States Enrichment Corporation Fund	United States Enrichment Corporation fund	125,789
Total		2,662,373
Subtotal: Obligations listed in table III.6		53,635,244
Total fiscal year 1993 obligations, object class 26, all accounts		\$57,144,073
Percent of total fiscal year 1993 object class 26 obligations		93.9

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Table III.7: Object Class 31: Equipment

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Commerce		
National Oceanic and Atmospheric Administration	Operations, research, and facilities	\$109,855
Department of Defense—Military		
Operation and Maintenance	Defense health program	350,525
Operation and Maintenance	Operation and maintenance, Air Force	503,060
Operation and Maintenance	Operation and maintenance, Army	266,581
Operation and Maintenance	Operation and maintenance, Defensewide	168,255
Operation and Maintenance	Operation and maintenance, Navy	1,701,562
Operation and Maintenance	Operation and maintenance, Navy Reserve	119,432
Procurement	Aircraft procurement, Air Force	9,609,440
Procurement	Aircraft procurement, Army	848,626
Procurement	Aircraft procurement, Navy	4,935,226
Procurement	Missile procurement, Army	356,328
Procurement	National guard and reserve equipment	2,146,605
Procurement	Other procurement, Air Force	8,430,922
Procurement	Other procurement, Army	2,198,545
Procurement	Other procurement, Navy	3,419,713
Procurement	Procurement of weapons and tracked combat vehicles, Army	497,103
Procurement	Procurement, Defensewide	2,474,738
Procurement	Procurement, Marine Corps	665,745
Procurement	Shipbuilding and conversion, Navy	8,112,493
Procurement	Weapons procurement, Air Force	4,270,718
Procurement	Weapons procurement, Navy	2,208,503
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Army	152,855
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Defensewide	245,624
Revolving and Management Funds	Defense business operations fund	1,104,467
Revolving and Management Funds	National defense sealift fund	2,463,532

(continued)

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Total		57,250,598
Department of Energy		
Atomic Energy Defense Activities	Defense environmental restoration and waste management	133,001
Atomic Energy Defense Activities	Materials support and other Defense programs	142,345
Atomic Energy Defense Activities	Weapons activities (atomic energy defense activities)	174,879
Energy Programs	General science and research activities	119,885
Total		570,110
Department of Justice		
Federal Bureau of Investigation	Salaries and expenses (Defense-related activities)	286,842
Department of the Treasury		
Internal Revenue Service	Information systems	280,202
Department of Transportation		
Coast Guard	Acquisition, construction, and improvements (Defense-related activities)	130,788
Federal Aviation Administration	Facilities and equipment (airport and airway trust fund)	623,936
Maritime Administration	Ready reserve force	264,163
Total		1,018,887
Department of Veterans Affairs		
Departmental Administration	Supply fund	183,513
Veterans Health Administration	Medical care	530,959
Total		714,472
Funds Appropriated to the President		
Military Sales Programs	Foreign military sales trust fund	8,684,000
Military Sales Programs	Special defense acquisition fund	222,686
Total		8,906,686
General Services Administration		
Personal Property Activities	General supply fund	370,756
National Aeronautics and Space Administration		
National Aeronautics and Space Administration	Research and development (Space flight, research, and supporting activities)	182,876
Other Independent Agencies		
Postal Service	Postal Service fund	795,942

(continued)

**Appendix III
 Fiscal Year 1993 Budget Accounts
 Obligating \$100 Million or More in Specific
 Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Tennessee Valley Authority	Tennessee Valley Authority fund (Energy supply)	2,507,085
Total		3,303,027
Subtotal: Obligations listed in table III.7		72,994,311
Total fiscal year 1993 obligations, object class 31, all accounts		\$76,640,152
Percent of total fiscal year 1993 object class 31 obligations		95.2

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Table III.8: Object Class 32: Land and Structures

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Defense—Civil		
Corps of Engineers—Civil	Construction, general	\$508,695
Corps of Engineers—Civil	Operation and maintenance, general	184,842
Total		693,537
Department of Defense—Military		
Family Housing	Family housing, Air Force	494,027
Family Housing	Family housing, Army	132,785
Family Housing	Family housing, Navy and Marine Corps	148,929
Military Construction	Military construction, Air Force	1,010,450
Military Construction	Military construction, Air National Guard	169,809
Military Construction	Military construction, Army	1,429,282
Military Construction	Military construction, Army National Guard	193,914
Military Construction	Military construction, Defensewide	442,133
Military Construction	Military construction, Navy	631,772
Military Construction	North Atlantic Treaty Organization infrastructure	129,748
Operation and Maintenance	Operation and maintenance, Army	152,575
Total		4,935,424
Department of Energy		
Atomic Energy Defense Activities	Defense environmental restoration and waste management	539,978
Atomic Energy Defense Activities	Materials support and other Defense programs	121,793
Atomic Energy Defense Activities	Weapons activities (atomic energy defense activities)	204,263
Energy Programs	Energy supply, R&D activities	305,836
Energy Programs	General science and research activities	511,796
Total		1,683,666
Department of Health and Human Services, except Social Security		
Indian Health Services	Indian health facilities	113,845
Department of Housing and Urban Development		

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Housing Programs	FHA general and special risk insurance funds liquidating account	669,301
Housing Programs	FHA mutual mortgage and cooperative housing insurance funds liquidating account	3,897,932
Total		4,567,233
Department of Justice		
Federal Bureau of Investigation	Salaries and expenses (Defense-related activities)	103,408
Department of Transportation		
Federal Aviation Administration	Facilities and equipment (airport and airway trust fund)	276,156
Federal Highway Administration	Federal-aid highways	190,100
Total		466,256
Department of Veterans Affairs		
Construction	Construction, major projects	414,160
Construction	Construction, minor projects	130,674
Veterans Health Administration	Medical care	211,138
Total		755,972
Department of the Interior		
Bureau of Reclamation	Construction program	104,724
General Services Administration		
Real Property Activities	Federal buildings fund	398,694
National Aeronautics and Space Administration		
National Aeronautics and Space Administration	Construction of facilities (space flight, research, and supporting activities)	374,219
Other Independent Agencies		
Postal Service	Postal Service fund	378,111
Subtotal: Obligations listed in table III.8		14,575,089
Total fiscal year 1993 obligations, object class 32, all accounts		\$16,126,465
Percent of total fiscal year 1993 object class 32 obligations		90.4

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

**Table III.9: Object Class 33:
Investments and Loans**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Farm Service Agency	Commodity Credit Corporation fund	\$9,089,941
Farm Service Agency	Commodity Credit Corporation guaranteed loans liquidating account	793,391
Rural Utilities Service	Rural Telephone Bank liquidating account	177,395
Total		10,060,727
Department of Housing and Urban Development		
Government National Mortgage Association	Guarantees of mortgage-backed securities liquidating account	651,062
Housing Programs	FHA general and special risk insurance funds liquidating account	1,005,061
Housing Programs	FHA mutual mortgage and cooperative housing insurance funds liquidating account	926,052
Total		2,582,175
Department of Veterans Affairs		
Veterans Benefits Administration	Guaranty and indemnity fund liquidating account	404,588
Veterans Benefits Administration	Loan guaranty revolving fund liquidating account	1,827,733
Total		2,232,321
Funds Appropriated to the President		
International Monetary Programs	Maintenance of value adjustments, International Monetary Fund	754,212
International Monetary Programs	United States quota, International Monetary Fund	10,806,081
Multilateral Assistance	Contribution to the African Development Fund	103,893
Multilateral Assistance	Contribution to the International Development Association	1,124,462
Total		12,788,648
Other Independent Agencies		
Export-Import Bank of the United States	Export-Import Bank of the United States liquidating account	429,061
National Credit Union Administration	Central liquidity facility	124,364

(continued)

**Appendix III
 Fiscal Year 1993 Budget Accounts
 Obligating \$100 Million or More in Specific
 Object Classes**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
National Credit Union Administration	Credit union share insurance fund	159,574
Total		712,999
Small Business Administration		
Small Business Administration	Business loan fund liquidating account	616,743
Subtotal: Obligations listed in table III.9		28,993,613
Total fiscal year 1993 obligations, object class 33, all accounts		\$30,083,856
Percent of total fiscal year 1993 object class 33 obligations		96.4

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

**Table III.10: Object Class 41: Grants,
Subsidies, and Contributions**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Cooperative State Research Service	Cooperative state research service	\$429,900
Extension Service	Extension service	425,526
Farm Service Agency	Agricultural credit insurance program account	176,686
Farm Service Agency	Commodity Credit Corporation fund	9,258,927
Farm Service Agency	Commodity Credit Corporation loans program account	535,680
Farm Service Agency	Conservation reserve program	1,683,295
Farm Service Agency	Salaries and expenses	582,766
Food and Consumer Service	Food donations programs for selected groups	160,728
Food and Consumer Service	Food Stamp program	23,629,296
Food and Consumer Service	Nutrition assistance for Puerto Rico	1,040,175
Food and Consumer Service	Special supplemental food program for women, infants, and children	2,923,492
Food and Consumer Service	State child nutrition programs	6,565,206
Forest Service	Forest Service permanent appropriations	308,549
International Agricultural Trade Service	Public Law 480 Grants - Titles I, II, and III	1,188,874
International Agricultural Trade Service	Public Law 480 Title I Food for Progress Credits, program account	377,690
International Agricultural Trade Service	Public Law 480 program account	361,196
Natural Resources Conservation Service	Agricultural conservation program	191,779
Rural Housing and Community Development Service	Rental assistance grants	404,110
Rural Housing and Community Development Service	Rural housing insurance fund program account	638,557
Rural Utilities Service	Rural development insurance fund program account	103,440
Rural Utilities Service	Rural electrification and telephone loans program account	210,262

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Rural Utilities Service	Rural water and waste disposal grants	423,865
Total		51,619,999
Department of Commerce		
Economic Development Administration	Economic development assistance programs	304,247
National Oceanic and Atmospheric Administration	Operations, research, and facilities	236,885
Total		541,132
Department of Defense—Military		
Operation and Maintenance	Operation and maintenance, Defensewide	112,467
Research, Development, Test, and Evaluation	Research, development, test, and evaluation, Navy	256,301
Total		368,768
Department of Education		
Office of Bilingual Education and Minority Languages Affairs	Bilingual and immigrant education	211,880
Office of Educational Research and Improvement	Education research, statistics, and improvement	155,570
Office of Educational Research and Improvement	Libraries	144,058
Office of Elementary and Secondary Education	Education for the disadvantaged	6,620,859
Office of Elementary and Secondary Education	Impact aid	754,323
Office of Elementary and Secondary Education	School improvement programs	1,548,117
Office of Postsecondary Education	Federal family education loan liquidating account	1,211,805
Office of Postsecondary Education	Federal family education loan program account	2,709,750
Office of Postsecondary Education	Higher education	851,261
Office of Postsecondary Education	Howard University	195,604
Office of Postsecondary Education	Student financial assistance	7,573,457
Office of Special Education and Rehabilitative Services	Rehabilitation services and disability research	2,178,424
Office of Special Education and Rehabilitative Services	Special education	2,549,121
Office of Vocational and Adult Education	Vocational and adult education	1,563,796
Total		28,268,025

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Department of Energy		
Energy Programs	Clean coal technology	196,450
Energy Programs	Energy conservation	229,789
Energy Programs	Energy supply, research and development activities	361,113
Energy Programs	General science and research activities	136,915
Total		924,267
Department of Health and Human Services, except Social Security		
Administration for Children and Families	Children and families services programs	3,434,630
Administration for Children and Families	Community services block grant	440,979
Administration for Children and Families	Family support payments to states	15,641,418
Administration for Children and Families	Interim assistance to states for legalization	323,572
Administration for Children and Families	Low income home energy assistance	1,345,550
Administration for Children and Families	Payments to states for Aid to Families with Dependent Children work programs	823,211
Administration for Children and Families	Payments to states for child care assistance	890,619
Administration for Children and Families	Payments to states for foster care and adoption assistance	2,875,782
Administration for Children and Families	Refugee and entrant assistance	375,420
Administration for Children and Families	Social services block grant	2,805,197
Administration on Aging	Aging services programs	819,930
Centers for Disease Control and Prevention	Disease control, research, and training	909,543
Health Care Financing Administration	Federal hospital insurance trust fund	507,738
Health Care Financing Administration	Grants to states for Medicaid	77,367,060
Health Care Financing Administration	Payments to health care trust funds	44,226,521
Health Resources and Services Administration	Health resources and services	2,352,713
Indian Health Services	Indian health services	818,969
Indian Health Services	Indian health facilities	109,234

(continued)

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
National Institutes of Health	National Institutes of Health	7,676,778
Social Security Administration	Supplemental security income program	24,327,986
Substance Abuse and Mental Health Services Administration	Substance abuse and mental health services	1,876,868
Total		189,949,718
Department of Housing and Urban Development		
Community Planning and Development	Community development grants	3,967,148
Community Planning and Development	Home investment partnerships program (community development)	1,153,077
Community Planning and Development	Supportive housing program	192,260
Housing Programs	Assistance for the renewal of expiring Section 8 subsidy contracts	7,566,860
Housing Programs	Flexible subsidy fund	113,483
Housing Programs	General and special risk program account	153,308
Housing Programs	Homeownership and opportunity for people everywhere grants	143,526
Housing Programs	Housing programs annual contributions for assisted housing	13,316,014
Housing Programs	Other assisted housing programs (community development)	266,226
Public and Indian Housing Programs	Community Partnerships Against Crime	296,499
Public and Indian Housing Programs	Payments for operation of low income housing projects	2,532,436
Total		29,700,837
Department of Justice		
Legal Activities	Civil liberties public education fund	499,974
Office of Justice Programs	Crime victims fund	148,839
Office of Justice Programs	Justice assistance	607,417
Total		1,256,230
Department of Labor		
Employment and Training Administration	Community service employment for older Americans	396,060

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Employment and Training Administration	Federal unemployment benefits and allowances	177,055
Employment and Training Administration	Payments to the unemployment trust fund	7,532,296
Employment and Training Administration	State unemployment insurance and employment service operations	3,289,707
Employment and Training Administration	Training and employment services	4,227,692
Employment and Training Administration	Unemployment trust fund (training and employment)	3,615,862
Total		19,238,672
Department of State		
International Organizations and Conferences	Contributions for international peacekeeping activities	460,315
International Organizations and Conferences	Contributions to international organizations	909,106
Other	Migration and refugee assistance	609,537
Total		1,978,958
Department of Transportation		
Federal Aviation Administration	Grants-in-aid for airports (airport and airway trust fund)	1,805,102
Federal Highway Administration	Federal-aid highways	16,743,927
Federal Highway Administration	Miscellaneous appropriations	240,981
Federal Highway Administration	Miscellaneous highway trust funds	127,161
Federal Railroad Administration	Grants to National Railroad Passenger Corporation	465,000
Federal Railroad Administration	Mandatory passenger rail service payments	146,000
Federal Railroad Administration	Northeast corridor improvement program	203,307
Federal Transit Administration	Discretionary grants (trust fund)	1,833,747
Federal Transit Administration	Formula grants	1,855,784
Federal Transit Administration	Washington metro	171,079
National Highway Traffic Safety Administration	Highway traffic safety grants	135,607
Total		23,727,695
Department of Veterans Affairs		
Construction	Grants for construction of state extended care facilities	109,013

(continued)

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Veterans Benefits Administration	Guaranty and indemnity program account	861,244
Veterans Benefits Administration	Loan guaranty program account	119,456
Veterans Benefits Administration	Readjustment benefits	1,114,997
Veterans Benefits Administration	Servicemen's group life insurance fund	444,929
Veterans Health Administration	Medical care	128,840
Total		2,778,479
Department of the Interior		
Bureau of Indian Affairs	Operation of Indian programs (conservation and land management)	300,879
Bureau of Land Management	Payments in lieu of taxes	103,523
Minerals Management Service	Mineral leasing and associated payments	462,531
Office of Surface Mining Reclamation and Enforcement	Abandoned mine reclamation fund (conservation and land management)	204,931
Territorial and International Affairs	Compact of free association	180,096
United States Fish and Wildlife Service	Miscellaneous permanent appropriations	163,557
United States Fish and Wildlife Service	Sport fish restoration	225,212
Total		1,640,729
Department of the Treasury		
Bureau of Alcohol, Tobacco and Firearms	Internal revenue collections for Puerto Rico	197,472
Financial Management Service	Payment to the Resolution Funding Corporation	2,328,306
United States Customs Service	Miscellaneous permanent appropriations	100,016
Total		2,625,794
Environmental Protection Agency		
Environmental Protection Agency	Abatement, control, and compliance	688,792
Environmental Protection Agency	Hazardous substance superfund	264,400
Environmental Protection Agency	Research and development	132,644
Environmental Protection Agency	Water infrastructure financing	2,567,157
Total		3,652,993
Funds Appropriated to the President		
Agency for International Development	Functional development assistance program	1,194,024

(continued)

Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Agency for International Development	Sub-Saharan Africa development assistance	732,217
International Peacekeeping, Regional Security, and Democracy Programs	Assistance for the new independent states of the former Soviet Union	188,620
International Peacekeeping, Regional Security, and Democracy Programs	Assistance to Central and Eastern Europe	174,986
Multilateral Assistance	International organizations and programs	320,000
Regional Peace, Security, and Defense Cooperation	Economic support fund	2,824,923
Regional Peace, Security, and Defense Cooperation	Foreign military financing grants	3,246,345
Regional Peace, Security, and Defense Cooperation	Regional peace and security program account	136,746
Total		8,817,861
National Aeronautics and Space Administration		
National Aeronautics and Space Administration	Research and development (space flight, research, and supporting activities)	137,198
Other Independent Agencies		
Appalachian Regional Commission	Appalachian regional development programs	180,869
Board for International Broadcasting	Grants and expenses	218,125
Commission on National and Community Service	Salaries and expenses	152,027
Corporation for National and Community Service	Domestic volunteer service programs, operating expenses	133,086
Corporation for Public Broadcasting	Public broadcasting fund	318,636
District of Columbia	Federal payment to the District of Columbia	698,000
Export-Import Bank of the United States	Export Import Bank loans program account	635,649
Federal Emergency Management Agency	Disaster relief	2,045,450
Federal Emergency Management Agency	Emergency food and shelter program	128,992
Federal Emergency Management Agency	Emergency management planning and assistance (Defense-related activities)	177,583

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Legal Services Corporation	Payment to the Legal Services Corporation	357,900
National Endowment for the Arts	National endowment for the arts: grants and administration	147,624
National Endowment for the Humanities	National endowment for the humanities: grants and administration	159,840
National Science Foundation	Education and human resources	491,712
National Science Foundation	Research and related activities (Defense-related activities)	1,933,281
Postal Service	Payment to the Postal Service fund	150,947
Railroad Retirement Board	Federal windfall subsidy	289,155
Tennessee Valley Authority	Tennessee Valley Authority fund (energy supply)	236,987
United States Information Agency	Educational and cultural exchange programs	274,329
Total		8,730,192
Small Business Administration		
Small Business Administration	Business loan program account	369,965
Small Business Administration	Disaster loan program account	291,941
Small Business Administration	Salaries and expenses	133,784
Total		795,690
Subtotal: Obligations listed in table III.10		376,753,237
Total fiscal year 1993 obligations, object class 41, all accounts		\$381,427,705
Percent of total fiscal year 1993 object class 41 obligations		98.8

Source: OMB MAX budget system

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
Object Classes**

**Table III.11: Object Class 42: Insurance
Claims and Indemnities**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Farm Service Agency	Federal Crop Insurance Corporation fund	\$1,051,529
Department of Defense—Civil		
Military Retirement	Military retirement fund	25,858,996
Department of Defense—Military		
Operation and Maintenance	Operation and maintenance, Air Force	179,907
Department of Education		
Office of Postsecondary Education	Federal family education loan liquidating account	2,868,989
Department of Health and Human Services, Social Security		
Social Security	Federal disability insurance trust fund	33,999,793
Social Security	Federal old-age and survivors insurance trust fund	265,898,207
Total		299,898,000
Department of Health and Human Services, except Social Security		
Health Care Financing Administration	Federal hospital insurance trust fund	87,459,071
Health Care Financing Administration	Federal supplementary medical insurance trust fund	47,985,920
Health Care Financing Administration	Payments to health care trust funds	377,116
Health Resources and Services Administration	Vaccine injury compensation	110,443
Social Security Administration	Payments to Social Security trust funds	6,228,082
Social Security Administration	Special benefits for disabled coal miners	799,333
Total		142,959,965
Department of Labor		
Employment Standards Administration	Black lung disability trust fund	555,132
Employment Standards Administration	Special benefits	1,826,128
Employment Standards Administration	Special workers' compensation expenses	111,464
Employment and Training Administration	Unemployment trust fund (training and employment)	35,980,241

(continued)

**Appendix III
Fiscal Year 1993 Budget Accounts
Obligating \$100 Million or More in Specific
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Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Pension Benefit Guaranty Corporation	Pension Benefit Guaranty Corporation fund	696,049
Total		39,169,014
Department of State		
Administration of Foreign Affairs	Foreign Service retirement and disability fund	396,673
Administration of Foreign Affairs	Payment to the Foreign Service retirement and disability fund	273,382
Total		670,055
Department of Veterans Affairs		
Veterans Benefits Administration	Compensation	13,486,612
Veterans Benefits Administration	National Service Life Insurance fund	855,445
Veterans Benefits Administration	Pensions	3,476,871
Total		17,818,928
Department of the Treasury		
Financial Management Service	Claims, judgments, and relief acts	493,819
Office of Personnel Management		
Office of Personnel Management	Civil service retirement and disability fund	34,665,455
Other Independent Agencies		
Federal Emergency Management Agency	National flood insurance fund	984,575
Railroad Retirement Board	Federal payments to the railroad retirement accounts	2,998,067
Railroad Retirement Board	Rail Industry Pension Fund	2,794,754
Railroad Retirement Board	Railroad Social Security equivalent benefit account	4,530,136
United Mine Workers of America Benefit Funds	United Mine Workers of America combined benefit fund	155,372
Total		11,462,904
Subtotal: Obligations listed in table III.11		577,097,561
Total fiscal year 1993 obligations, object class 42, all accounts		\$578,278,629
Percent of fiscal year 1993 object class 42 obligations		99.8

**Appendix III
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Table III.12: Object Class 43: Interest and Dividends

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Agriculture		
Farm Service Agency	Agricultural credit insurance fund liquidating account	\$1,739,882
Farm Service Agency	Commodity Credit Corporation fund	243,523
Rural Housing and Community Development Service	Rural housing insurance fund liquidating account	3,202,142
Rural Utilities Service	Rural development insurance fund liquidating account	674,022
Rural Utilities Service	Rural electrification and telephone revolving fund liquidating account	2,524,994
Total		8,384,563
Department of Energy		
Power Marketing Administration	Bonneville Power Administration fund	113,900
Department of Housing and Urban Development		
Housing Programs	Housing for the elderly or handicapped fund liquidating account	727,998
Department of Labor		
Employment Standards Administration	Black lung disability trust fund	366,616
Department of Veterans Affairs		
Veterans Benefits Administration	National service life insurance fund	751,570
Veterans Benefits Administration	Veterans special life insurance fund	111,658
Total		863,228
Department of the Treasury		
Federal Financing Bank	Federal Financing Bank	12,745,611
Financial Management Service	Net interest paid to loan guarantee financing accounts	513,536
Interest on the Public Debt	Other interest on the public debt	292,502,219
Internal Revenue Service	Refunding internal revenue collections, interest	2,127,457
Total		307,888,823
General Services Administration		
Real Property Activities	Federal buildings fund	111,815
Other Independent Agencies		

(continued)

**Appendix III
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Dollars in thousands

Bureau/Agency/Fund	Account title	Obligations
Export-Import Bank of the United States	Export-Import Bank of the United States liquidating account	719,542
Farm Credit System Financial Assistance Corporation	Financial Assistance Corporation assistance fund, liquidating account	116,570
Farm Credit System Financial Assistance Corporation	Financial Assistance Corporation trust fund	127,008
Postal Service	Postal Service fund	3,545,628
Tennessee Valley Authority	Tennessee Valley Authority fund (energy supply)	1,786,190
Total		6,294,938
Subtotal: Obligations listed in table III.12		324,751,881
Total fiscal year 1993 obligations, object class 43, all accounts		\$325,251,705
Percent of total fiscal year 1993 object class 43 obligations		99.8

Source: OMB MAX budget system

Appendix III
 Fiscal Year 1993 Budget Accounts
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Table III.13: Object Class 44: Refunds

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of the Interior		
Bureau of Indian Affairs	Miscellaneous trust funds (area and regional development)	\$230,553
Department of the Treasury		
Internal Revenue Service	Health insurance supplement to earned income credit	649,820
Internal Revenue Service	Payment where earned income credit exceeds liability for tax	8,780,787
Total		9,430,607
Office of Personnel Management		
Office of Personnel Management	Civil Service retirement and disability fund	341,625
Other Independent Agencies		
Bank Insurance	Bank Insurance Fund	-555,323
Subtotal: Obligations listed in table III.13		9,447,462
Total fiscal year 1993 obligations, object class 44, all accounts		\$9,483,556
Percent of total fiscal year 1993 object class 44 obligations		99.6

Source: OMB MAX budget system

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Fiscal Year 1993 Budget Accounts
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**Table III.14: Object Class 92:
Undistributed Obligations**

Dollars in thousands		
Bureau/Agency/Fund	Account title	Obligations
Department of Health and Human Services, except Social Security		
Health Care Financing Administration	Federal hospital insurance trust fund	\$721,428
Health Care Financing Administration	Federal supplementary medical insurance trust fund	1,417,532
Health Care Financing Administration	Payments to health care trust funds	117,862
Social Security Administration	Supplemental security income program	1,585,597
Total		3,842,419
Department of Health and Human Services, Social Security		
Social Security	Federal disability insurance trust fund	121,113
Social Security	Federal old-age and survivors insurance trust fund	3,635,253
Total		3,756,366
Department of Labor		
Employment and Training Administration	Advances to the unemployment trust fund and other funds	4,994,116
Department of the Treasury		
Departmental Offices	Exchange stabilization fund	575,204
Department of Transportation		
Federal Aviation Administration	Trust fund share of FAA operations	2,279,313
Other Independent Agencies		
Bank Insurance	Bank Insurance Fund	6,837,622
FSLIC Resolution	FSLIC Resolution Fund	3,474,579
Railroad Retirement Board	Railroad Social Security equivalent benefit account	3,165,264
Resolution Trust Corporation	Resolution Trust Corporation revolving fund	10,911,509
Total		24,388,974
Small Business Administration		
Small Business Administration	Salaries and expenses	109,733
Subtotal: Obligations listed in table III.14		39,946,125
Total fiscal year 1993 obligations, object class 92, all accounts		\$40,082,568
Percent of total fiscal year 1993 object class 92 obligations		99.7

**Appendix III
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**Table III.15: Object Class 93: Limitation
on Expenses**

Dollars in thousands		
Bureau/Account/Fund	Account title	Obligations
Department of Health and Human Services, except Social Security		
Health Care Financing Administration	Federal hospital insurance trust fund	\$387,461
Health Care Financing Administration	Federal supplementary medical insurance trust fund	295,525
Total		682,986
Department of Health and Human Services, Social Security		
Social Security	Federal disability insurance trust fund	(4,008,783)
Social Security	Federal old-age and survivors insurance trust fund	3,317,790
Total		(690,993)
Subtotal: Obligations listed in table III.15		(8,007)
Total fiscal year 1993 obligations, object class 93, all accounts		(\$8,007)
Percent of total fiscal year 1993 object class 93 obligations		100

Source: OMB MAX budget system

Comparison of 1993 Efforts To Use Object Class Data as a Base for Reducing Administrative Costs

Three separate approaches to reduce federal overhead or administrative costs—each using object class data as the means to define a base for the proposed reductions—were suggested during 1993. Table IV.1 displays the object classes used by

- the administration's Executive Order 12837, issued February 10, 1993;
- S. 1004, introduced May 20, 1993, by Senator Hank Brown; and
- S. 1524, introduced October 7, 1993, by Senator Kay Hutchison. A companion bill to S. 1524, H.R. 3250, was also introduced in the House by Representative Lamar Smith on October 7, 1993.

Table IV.1: Comparison of Object Class-based Proposals to Reduce Administrative Expenses

Object class	E.O.12837	S. 1004	S. 1524
Travel and transportation of persons	X	X	X
Transportation of things	X	X	X
Rent, communications, and utilities	X (see exclusion)	X	X (see exclusion)
Printing and reproduction	X	X	X
Consulting and other services	X	X	X (see exclusion)
Supplies and materials	X	X	X
Equipment		X (see exclusion)	
Land and structures		X	
Investments and loans		X (see exclusion)	
Exclusions	—Legislative and judicial branch obligations; —rent paid to the General Services Administration; —reimbursements received from another federal agency; —revolving fund activities; and —"program-related" obligations.	—Legislative branch, Department of Defense and U.S. Postal Service obligations and —obligations for foreign assistance involving equipment, investments, and loans.	—Legislative and judicial branch and Department of Defense obligations; —rent paid to the General Services Administration; —obligations for government-owned, contractor-operated corporations and for research and development activities; and —reimbursements paid to another federal agency.

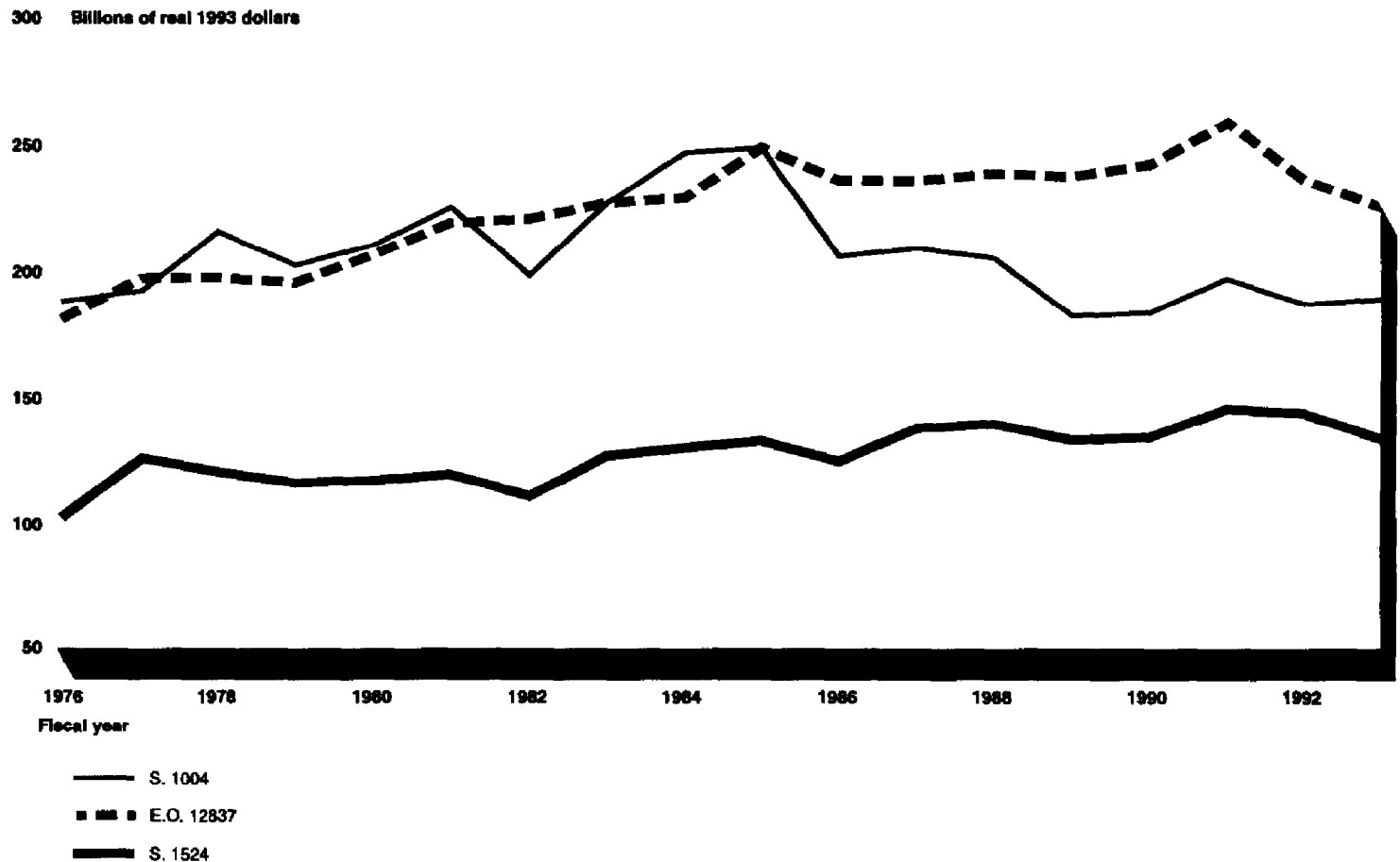
Figure IV.1 reconstructs a trendline for each of the proposals, in billions of real 1993 dollars, using the definitions from table IV.1. Differences in application of the proposals throughout the federal government, in the specific object classes targeted, and in the specific types of obligations excluded had a profound effect on the calculated base for each proposal. Figure IV.1 displays the effect of these definitions for each proposal, with the following exceptions:

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- Obligations for rent paid to General Services Administration could be identified, but only beginning in 1976. Thus, for comparison, the starting fiscal year for figure IV.1 is 1976.
- Reimbursements, whether received from (E.O. 12837) or paid to (S. 1524) federal agencies, could not be excluded prior to 1980. Even after 1980, there is no way to determine if such reimbursements are being reliably recorded by agencies. Also, certain object class 25 obligations for government-owned, contractor-operated corporations and for research and development contracts were not separately recorded prior to 1993. For each of these cases, no exclusions were made in determining the trends displayed in figure IV.1.
- "Program-related" obligations for E.O. 12837 were not excluded. These obligations were determined by OMB budget analysts without formal definition or guidance, and there is no valid method to replicate this judgment over the trend period. For a discussion of the significant effect of this exclusion on the administration's policy, see Budget Issues: Assessing Executive Order 12837 on Reducing Administrative Expenses (GAO/AIMD-94-15, November 17, 1993).
- Obligations for "foreign assistance," as required by S. 1004, could not be identified and, therefore, were not excluded.

Appendix IV
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Figure IV.1: A Comparison of the Calculated Base for Three Proposals to Reduce Federal Administrative Expenses



As indicated in figure IV.1, although the bases for the separate proposals were quite different, each tended to move in the same direction over the trend period, generally showing little, if any, real growth. This result is not unexpected in that each proposal dealt with object classes which have represented, as discussed in appendix II, a declining share of total federal obligations. Overall, subject to the constraints in reconstructing each proposal's base, the average annual growth rates for the subset of obligations targeted by each proposal were 1.20 percent for E.O. 12837, -0.16 percent for S. 1004, and 1.39 percent for S. 1524. For comparison,

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during the period 1976 through 1993, the U.S. gross domestic product increased by 2.56 percent.

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