

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

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81.1 What are the basic requirements?

MAX contains detailed information on budgetary resources, outlays, and receipts for *presidential policy* (schedules A and R) and *baseline* (schedules S and K). You will enter the data for schedules A and S in the combined schedule X in MAX. The system will copy the appropriate entries from schedule X into schedules A and S.

- Presidential policy data covers the period PY through BY+9.
- Baseline data covers the period CY through BY+9.
- Schedules A and S include information on budget authority, limitations and outlays.
- Schedules R and K include information on receipts.

For all accounts, except credit financing accounts and Government-sponsored enterprises, you must:

- Submit policy data (all transmittal codes).
- Submit baseline data for the regular budget schedule (transmittal code "0").
- Submit baseline data for supplemental requests (transmittal code "1") that are classified as *mandatory* and finance obligations that exist under current law (such as payments under entitlement programs).
 - ▶ Do not provide baseline estimates for *discretionary* supplemental requests.
 - ▶ Do not provide baseline estimates for other transmittals (e.g., codes "2", "4", "8") unless specifically requested by OMB.

Use the guidance in sections 31–32 to develop the policy estimates. Use the guidance in section [80](#) to develop the baseline estimates.

81.2 What data classifications do I use to enter data into MAX?

Report data using the classifications specified below. Multiple entries are required when more than one classification applies to a budgetary resource, limitation, offset, or outlay. When inserting or revising data in MAX, choose the appropriate line number, subfunction, budget enforcement subcategory, and other classifications from a list provided on the screen.

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DATA CLASSIFICATIONS FOR SCHEDULES X (A and S), R, AND K

Classification	Description
LINE NUMBER	Line numbers for schedules A, S, R and K consist of a four-digit number and a two-digit suffix (xxxx-xx). For schedule A and S, the first four digits tells the type of data being reported and the last 2 digits distinguishes between policy and baseline data or describes the types of outlays (see exhibit 81B). For schedules R and K, the six-digit number (xxxx-xx) indicates the character classification (see section 81.3 and 84.4)
SUBFUNCTION	For accounts with a single subfunctional classification (see section 79.2), you can enter data without specifying the subfunction; MAX automatically provides the subfunction designation. For multifunction accounts, you must enter data under each of the appropriate subfunctions.
CIVILIAN PAY AND BENEFITS/ MILITARY PAY AND BENEFITS/ NON-PAY	<p>Indicates whether amounts are used to fund personnel compensation and benefits ("pay") or other activities ("non-pay"). This is entered in schedule X on line xxxx-50.</p> <p>Applies to baseline budget authority (other than spending authority from offsetting collections) and limitations.</p> <p>The requirement to distinguish baseline pay and benefits from other amounts applies only to discretionary budget authority and limitations. For mandatory amounts, you may choose to make the distinction, or just to code all amounts as non-pay.</p> <p>Civilian pay and benefits means the amount of new budgetary resources used to fund personnel compensation and benefits for civilian personnel, consistent with the definitions for object classes 11.1 through 11.5 and 12.1.</p> <p>Military pay and benefits means the amount of new budgetary resources used to fund personnel compensation and benefits for military personnel, consistent with object classes 11.7 and 12.2.</p> <p>Other than pay and benefits means the amount of new budgetary resources not used to fund personnel compensation.</p>
BUDGET ENFORCEMENT CATEGORY/ SUBCATEGORY/ JURISDICTION/	<p>Indicates:</p> <ul style="list-style-type: none"> • Budget enforcement category. (e.g., discretionary, mandatory, net interest, governmental receipt) In most cases, if an account is classified as <i>discretionary</i> under BBEDCA, you classify any spending authority from offsetting collections (line 1750), the offsetting collections from which they are derived (lines 4030-4060), and the outlays from the offsetting collections as discretionary. Likewise, you classify these amounts as <i>mandatory</i> in accounts designated as mandatory under BBEDCA, except for administrative expenses, which are classified as discretionary. • Subcategory. Includes subcategories from before discretionary enforcement expired in 2002 (e.g. third scorecard, highway, mass transit, non-emergency supplemental funding, economic recovery, and change in a mandatory program), as well as the new cap adjustments included in the Budget Control Act of 2011 (BCA) (e.g., overseas contingency operations/global war on terrorism, emergency funding, program integrity, and disaster relief). Report data by the categories listed in the next table, "Summary of Budget Enforcement Data Classifications." Use multiple entries if more than one classification applies to the budgetary resources and outlays in an account. • Jurisdiction. (appropriations or authorizing committee) All discretionary resources are under the jurisdiction of appropriations committees. The classification for mandatory resources differentiates between appropriations and authorizing committee jurisdiction.

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Classification	Description
	<ul style="list-style-type: none"> • Homeland security. MAX tracks spending on homeland security activities. For selected budget enforcement subcategories, MAX will prompt you to indicate whether the amounts should be further classified as: <ul style="list-style-type: none"> ○ Homeland security. Activities focused on combating and protecting against terrorism. These activities may occur within the United States and its territories, or outside of the United States and its territories in support of domestically based systems or activities (e.g. visa processing). Such activities include efforts to detect, deter, protect against, and, if needed, respond to terrorist attacks. A complete definition can be found in the National Strategy for Homeland Security; ○ Regular. Those programs, projects, and other activities that are not classified as homeland security. • Rescissions and cancellations. Use an emergency, overseas contingency operations/global war on terrorism (OCO/GWOT), or disaster relief subcategory to classify rescissions and cancellations of amounts that have been designated as emergency, OCO/GWOT, or as disaster relief appropriations, respectively. Reductions of funds that have been designated as emergency requirements will not be counted as PAYGO offsets for the purposes of the Statutory Pay-As-You-Go Act of 2010. Reductions of funds that have been designated as emergency requirements, as OCO/GWOT appropriations, or as disaster relief will not be counted as discretionary offsets for appropriations of non-emergency funds. • Other. The above rules apply to all line entries <i>except</i> the number of beneficiaries (line 5150-00).

SUMMARY OF BUDGET ENFORCEMENT DATA CLASSIFICATIONS

If the resource is classified as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
Discretionary	Appropriations committee	None of the conditions described below applies.	<p align="center">DISCRETIONARY</p> <p>This category includes spending authority that requires appropriations committee action and the associated outlays, as well as receipts made available through action by appropriations committees in discretionary accounts.</p> <p>Do not use this category if amounts can be classified in any of the other discretionary categories described below.</p>

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If the resource is classified as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		The amounts are under the <i>discretionary highway category</i> of BBEDCA, as amended by TEA-21 and SAFETEA-LU (Pub .L. No. 105–178, Pub. L. No. 109–59).	DISCRETIONARY, HIGHWAY Classify amounts in excess of the highway category spending cap as "discretionary" not as "discretionary, highway."
		The amounts are under the <i>discretionary mass transit category</i> of BBEDCA, as amended by TEA-21 and SAFETEA-LU (Pub. L. No. 105–178, Pub. L. No. 109–59).	DISCRETIONARY, MASS TRANSIT Classify amounts in excess of the mass transit category spending cap as "discretionary" not as "discretionary, mass transit."
		The amounts include <i>enacted or proposed emergency funding for the current year and proposed emergency funding for the budget year</i> (i.e., funding that is either proposed or enacted with an <u>emergency</u> designation by both the President and the Congress pursuant to Section 251(b)(2)(A) of BBEDCA, as amended) and is limited to emergency amounts that are not for Overseas Contingency Operations/Global War on Terrorism, or Disaster Relief.	DISCRETIONARY, EMERGENCY Use only with OMB approval. Do not use this category if amounts can be classified in any of the other discretionary categories described below.
		Use for enacted or proposed <u>NON-emergency</u> funding for the current year and proposed <u>NON-emergency</u> funding for the budget year for funding requested or provided in a supplemental act.	NON-EMERGENCY SUPPLEMENTAL FUNDING Use only with OMB approval.
		The amounts that were provided in the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111–5).	EMERGENCY ECONOMIC RECOVERY FUNDING Use only with OMB approval.
		Use for <i>enacted or proposed funding for the current year and proposed funding for the budget year</i> that is designated by both the President and the Congress as being for Overseas Contingency Operations/Global War on Terrorism pursuant to Section 251(b)(2)(A) of the BBEDCA, as amended.	OVERSEAS CONTINGENCY OPERATIONS/GLOBAL WAR ON TERRORISM Use only with OMB approval.

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If the resource is classified as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		Use for enacted or proposed funding for the current year and proposed funding for the budget year for either SSA Continuing Disability Reviews and Redeterminations or for the HHS Health Care Fraud and Abuse Control account for program integrity efforts pursuant to Sections 251(b)(2)(B) and 251(b)(2)(C) of BBEDCA, as amended. This may also be used only for Administration proposals for program integrity efforts for Internal Revenue Service tax enforcement or unemployment insurance improper payment reviews.	PROGRAM INTEGRITY FUNDING Use only with OMB approval.
		Use for enacted or proposed funding for the current year and proposed funding for the budget year that is designated by the Congress as being for Disaster Relief pursuant to Section 251(b)(2)(D) of BBEDCA, as amended.	DISASTER RELIEF FUNDING Use only with OMB approval.
		Appropriations action that modifies the spending authority or receipts in an otherwise mandatory account.	DISCRETIONARY, CHANGE IN A MANDATORY PROGRAM Does not apply to baseline estimates. Use only with OMB approval. (See definition of CHIMPs in section 20.3 .)
Mandatory	Appropriations committee	None of the conditions described below applies.	MANDATORY, APPROPRIATIONS COMMITTEE Do not use this category if amounts can be classified in any of the other mandatory categories described below.
		The amounts include <i>emergency funding</i> (i.e., funding that is proposed to be designated as emergency by the President and the Congress in statute).	MANDATORY, EMERGENCY, APPROPRIATIONS COMMITTEE Use only with OMB approval.
	Authorizing committee	None of the conditions described below applies.	MANDATORY, AUTHORIZING COMMITTEE Do not use this category if amounts can be classified in any of the other mandatory categories described below.

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If the resource is classified as ...	And is controlled by the ...	And the following conditions apply ...	Then the data classification is ...
		The amounts include <i>emergency funding</i> (i.e., funding that is proposed to be designated as emergency by the President and the Congress in statute.)	MANDATORY, EMERGENCY, AUTHORIZING COMMITTEE Use only with OMB approval.
Net Interest		None of the conditions described below applies.	NET INTEREST Applies to budget authority, outlays, and offsetting receipts included in the net interest functions (function 900).
		The amounts result from the effects of proposed legislative changes on interest budget authority, outlays, or receipts, and are not scored as PAYGO.	NET INTEREST, THIRD SCORECARD Does not apply to baseline estimates.
Governmental receipts	Authorizing committee	None of conditions described below applies.	GOVERNMENTAL RECEIPTS Applies to governmental receipts in schedules K and R.
	Appropriations committee	The amounts result from appropriations action modifying Governmental receipts.	DISCRETIONARY MODIFICATION OF GOVERNMENTAL RECEIPTS Applies to governmental receipts in schedule R; does not apply to schedule K. Use only with OMB approval.

81.3 What information do I need to report?

(a) *Expenditure accounts*

Report all budgetary resources, limitations, outlays, and offsets into schedule X and MAX will automatically copy the data to schedules A and S. For more information about schedule X, see section [82](#).

The following rules apply to expenditure accounts:

- For PY through BY, the sum of amounts for total policy BA (lines xxxx-40) and offsets (lines xxxx-41) must equal the amounts entered for schedule P (four-digit line numbers).
- For discretionary CY amounts in transmit 0, baseline BA; limitations; and offset amounts must equal policy amounts. You will enter data in the baseline lines, and MAX will copy it to policy and lock the policy amount.
- For mandatory amounts in CY through BY+9 in transmit 0, all baseline amounts must equal policy amounts. You will enter data in the baseline lines, and MAX will copy it to policy and lock the policy amounts.

- For discretionary baseline BA and limitations (except spending authority from offsetting collections), you will enter a CY amount and MAX will generate and lock BY through BY+9. For mandatory baseline BA and limitations, you will enter all amounts.
- For discretionary policy BA and limitations (except spending authority from offsetting collections), you will enter a BY amount and MAX will generate and lock BY+1 through BY+9. In some cases, OMB will unlock BY+1 through BY+9 so you can overwrite the amounts in the outyears.
- For discretionary offsets and spending authority from offsetting collections, you will enter data for CY in baseline and BY in policy, and MAX will generate the outyears. You may overwrite these generated amounts.
- For discretionary outlays, you will enter in policy:
 - Outlay *amounts* in PY.
 - Outlay *amounts* in all years for outlays from balances (both obligated and unobligated) of budget authority brought forward from PY (end of PY balances).
 - Outlay *rates* that apply to BA or limitations provided in the CY and beyond. You may use different outlay rates for the CY than you use for BY and beyond.

MAX will copy all outlay rates and end of PY balance outlay amounts to baseline.

- For mandatory outlays, you may choose to enter all amounts by hand, or use the outlay rates where applicable. MAX will copy outlay amounts and rates to baseline.

(b) *Receipt accounts*

Report data on all collections deposited in receipt accounts (i.e., governmental receipts and offsetting receipts) in schedules R and K. The line numbers for offsetting receipts are also used to designate receipt character classification (see section [84.4](#)). Only one character classification (line number) is valid for each receipt account, and that information must be specified in advance in OMB's database of account information before you can report the character classification data for the applicable account.

The following rules apply to receipts:

- Past year data will be loaded into schedule R from agency data reported to Treasury. These amounts cannot be overridden but can be changed by OMB when agencies provide valid justification, to include coordination with Treasury (see section [82.12](#)).
- MAX automatically calculates *discretionary policy receipts* in schedule R through BY+9 for the years that are subject to across-the-board rules. You may overwrite these amounts, if necessary.
- MAX also automatically calculates *discretionary baseline receipts* in schedule K for BY through BY+9 based on the CY budgetary resources entered by the agency and inflation factors entered by OMB. You may overwrite these amounts, if necessary.
- MAX copies the mandatory baseline receipts data you enter in schedule K to schedule R. To change the policy estimates, you must revise the baseline estimates.

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The following table indicates the line numbers used to report receipts in schedules K and R:

RECEIPTS

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