SECTION 83—OBJECT CLASSIFICATION (SCHEDULE O)

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83.1 What are object classes?

Object classes are categories in a classification system that presents ***obligations by the items or services purchased*** by the Federal Government. These are the major object classes:

- 10 Personnel compensation and benefits
- 20 Contractual services and supplies
- 30 Acquisition of assets
- 40 Grants and fixed charges
- 90 Other

We divide these major classes into smaller classes and present them in the Budget *Appendix* in object class schedules.

The object classes present obligations according to their initial purpose, *not the end product or service*. For example, if you pay a Federal employee who constructs a building, classify the obligations for the

employee's wages under *Personnel compensation and benefits*, rather than *Acquisition of assets*. If you purchase a building, classify the contractual obligations under *Acquisition of assets*.

You record *obligations* when the Federal Government places an order for an item or a service, awards a contract, receives a service, or enters into similar transactions that will require payments in the same or a future period (see section 20.5). You also record obligations when you make an *expenditure* transfer between Federal Government accounts (see section 20.4(j)).

83.2 Why must I report object class information?

You must report object class information because the law (31 U.S.C. 1104(b)) requires the President's Budget to present obligations by object class for each account.

83.3 How do object classes compare to functional and character classes and program activity?

The following table shows how the object classification system differs from the other classification systems used in the President's Budget.

Classification System	What is classified?	What does it tell me?
Object class	Obligations	Goods or services or items purchased, for example, supplies, rent, or equipment
Program activity (see section 82.5)	Obligations	Activity, project, or other programmatic distinction
Functional class (see section 79.3(d))	Budget authority, outlays, and offsetting receipts	Major purpose served, for example, national defense, health, income security
Character class (see section 84.4)	Budget authority, outlays, and offsetting receipts	Whether the amount pays for an *investment* or noninvestment and whether the amount is a *grant* to a State and local government or a *direct* Federal program; If investment, then, what type: physical asset, conduct of R&D, or conduct of education and training

83.4 How does the object class schedule relate to the program and financing schedule?

You report object class information whenever you report obligations on a program and financing (P&F) schedule (except you do not report object class information for credit financing accounts). This means you report obligations by object class separately for the regular budget requests, supplemental budget requests, rescission proposals, and legislative proposals.

In addition, object class schedules separately identify the following types of obligations:

- Direct and reimbursable obligations (see section 83.5).
- Obligations between agencies (see section 83.14).

83.5 How can I determine whether an obligation should be classified as direct or reimbursable?

In general, reimbursable obligations are those financed by offsetting collections (see section 20.7(d)) received in return for goods and services provided, while all other obligations are direct. However, there are exceptions. The following table identifies the criteria used to identify whether obligations are direct or

reimbursable. For information regarding budget authority and fund type when considering the classification of obligations, please refer to section 19 of Appendix F.

If the obligations are . . .	And if . . .	And the schedule P offsetting collections lines are from . . .	Then the classification is . . .
NOT financed from offsetting collections			Direct
Financed from any type of budgetary resources, including offsetting collections	The activity is in a credit program, financing, or liquidating account and associated with a credit program		Direct
Financed from offsetting collections from:			Direct
• Asset sales (including GSA recycling funds);		Non-Federal sources (lines 4033 or 4123)	
• Interest on Federal securities;		Lines 4031 or 4121	
• Interest on uninvested funds;		Lines 4032 or 4122	
• Compulsory collections derived from the government exercising its sovereign powers, e.g., taxes, compulsory user charges, regulatory fees, inspection fees, customs duties, license fees;		Non-Federal sources (lines 4033 or 4123) or Offsetting Governmental Collections (lines 4034 or 4124)	
• Intragovernmental expenditure or non-expenditure transfers;	There is no benefit exchanged to the paying account (e.g., does not receive a good or service)	Federal sources (lines 4030 or 4120)	
• Donations;		Non-Federal sources (lines 4033 or 4123)	
• Refunds.		Federal sources (lines 4030 or 4120) or Non-Federal sources (lines 4033 or 4123)	
• Intergovernmental Cooperation Act		Non-Federal sources (lines 4033 or 4123)	

If the obligations are . . .	And if . . .	And the schedule P offsetting collections lines are from . . .	Then the classification is . . .
Financed from offsetting collections received in return for goods or services provided, including: • Reimbursements under the IPA (see section 83.15); and • Voluntary insurance premiums	The account is not a credit program, financing, or liquidating account, OR the activity is unrelated to the credit program in that account	Federal sources (lines 4030 or 4120) or Non-Federal sources (lines 4033 or 4123)	Reimbursable
Note: For a limited number of accounts, voluntary insurance premiums may be classified as direct with OMB concurrence.			
Financed from offsetting collections from other Federal government account(s)	The collections are for a jointly funded grant or project	Federal sources (lines 4030 or 4120)	Reimbursable

The amounts you classify as reimbursable obligations in both schedule O and P for a budget account should be identical with the following exceptions:

- Line 9995, *Adjustment for rounding*, schedule O may contain a mixture of direct and reimbursable obligations. These amounts are not material because they are normally $4 million or less;
- Credit financing accounts do not have any schedule O.

Schedule O. Use the 4–digit object class line numbers in exhibit 83A when you enter obligations by object class in schedule O. Be sure to use the correct prefix to distinguish reimbursable from direct obligations.

Schedule P. Use the 4–digit program activity codes described in section 82.5 when you report obligations. For reimbursable obligations, use 08xx.

83.6 What object class codes and definitions should I use?

Major object classes are divided into smaller classes. The following table provides the codes, standard titles, and definitions used to identify detailed object class data. Exhibit 83A summarizes the codes and standard titles used in schedule O.

Entry		Description
10	PERSONNEL COMPENSATION AND BENEFITS	This major object class consists of object classes 11, 12, and 13.
11	Personnel compensation	Compensation directly related to duties performed for the government by Federal civilian employees, military personnel, and non-Federal personnel. Object class 11 covers object classes 11.1 through 11.8.

Entry		Description
11.1	Full-time permanent	For full-time civilian employees with permanent appointments. Full-time permanent employees are those who are full-time civilian employees with *permanent appointments as defined by the Office of Personnel Management* (OPM). The nature of the employee's appointment is controlling, not the nature of the position. For this object class, include full-time permanent employees in the: • Competitive Service with career and career-conditional appointments. • Excepted Service whose appointments carry no restriction or condition. Include those serving trial periods or whose tenure is equivalent to career-conditional tenure in the Competitive Service. • Exclude those serving on indefinite appointments and appointments limited to a specific time. • Senior Executive Service (SES) with career appointments as defined in 5 U.S.C. 3132(a)(4) and non-career appointments as defined in 5 U.S.C. 3132(a)(7). Refer to your agency's human resources office for assistance on the types of appointments for staff in your agency. Include: • Regular salaries and wages paid to the employees (some of which may be withheld from the employee's check to pay taxes, to pay a bill in a credit union, or to pay the employee's share of life and health insurance). • Other payments that become part of their basic pay (for example, geographic differentials, and critical position pay). • Regular salaries and wages paid while the employees are on paid leave, such as annual, sick, or compensatory leave. • Lump sum payments for annual leave upon separation (also known as terminal leave payments). Exclude: • Compensation above the basic rate, for example, overtime or other premium pay, which will be classified in object class 11.5, *Other personnel compensation.* • Full-time *temporary* employees who are full-time civilian employees with *temporary appointments as defined by OPM* who will be classified in object class 11.3, *Other than full-time permanent*.
11.3	Other than full-time permanent	Regular salaries and wages paid to civilian employees for part-time, temporary, or intermittent employment (see note below). Include: • Part-time permanent employees, that is, employees with appointments that require work on a prearranged schedule of fewer hours or days of work than prescribed for full-time employees in the same group or class. • Temporary employees, that is, employees with appointments for a limited period of time that is generally less than a year. For example:

Entry		Description
		(a) full-time temporary employees, (b) seasonal employees without permanent appointments, (c) employees with term appointments, and (d) employees with indefinite appointments. • Personnel appointments and advisory committees. • Intermittent employees, that is, employees with appointments that require work on an irregular or occasional basis and who are paid only for the time actually employed or services actually rendered. • *Note:* For personal services contracts with individuals, who are classified by OPM as Federal employees, classify the basic pay in this object class and classify compensation above the basic pay in object class 11.5, *Other personnel compensation*. On the other hand, classify the payments to a contractor principally for the personal services of a group of the contractor's employees according to the type of contract involved (for example, classify personal services contracts for operation and maintenance of facilities under object class 25.4).
11.5	Other personnel compensation	Compensation *above the basic rates* paid directly to civilian employees. Include: • Overtime, which is pay for services in excess of the established work period as defined in 5 U.S.C. 5542, standby duty and administratively uncontrollable overtime as defined in 5 U.S.C. 5545, and unscheduled availability duty hours for criminal investigations as defined in 5 U.S.C. 5545(a). • Holiday pay as defined in 5 U.S.C. 5546(b). • Night work differential, which is pay above the basic rate for regularly scheduled night work. • Post differentials, which are authorized under 5 U.S.C. 5925 above the basic rate for service at hardship posts abroad that are based upon conditions of environment substantially different from those in the continental United States and warrant additional pay as a recruitment and retention incentive. • Hazardous duty pay, which is pay above the basic rate because of assignments involving performance of duties that subject the employee to hazards or physical hardships. *Note*: Post differentials and hazardous duty pay result from the job or services performed. For example, a job performed at a hardship post abroad or under hazardous duty is different from what might appear to be the same job performed elsewhere and under non-hazardous conditions. Hence, both are classified with other pay in object class 11 and not as benefits in object class 12. By contrast, compensation in the form of cost of living allowances are classified as benefits in object class 12 because they do not result from the job or services performed. The cost for a job in one locale is different from the same job in another locale simply because the cost of living is higher in one locale. • Supervisory differential, which is pay above the basic rate to adjust the compensation of a supervisor to a level greater than the highest paid subordinate. The differential applies to a General Schedule.

Entry		Description
		• Employee who supervises one or more employees not covered by the General Schedule. • Cash incentive awards, which are payments for cash awards that do not become part of the Federal civilian employee's basic rate of pay, such as those authorized under 5 U.S.C. 4503, 4504, 4505a, 4507, and 5384. • Other payments above basic rates, which are payments for other premium pay, such as stand-by pay and premium pay in lieu of overtime and special pay that is paid periodically during the year in the same manner and at the same time as regular salaries and wages are paid. • Exclude other payments which are classified in object class 12.1, *Civilian personnel benefits*. • Royalties to Federal scientists and inventors which may last up to 17 years and may be paid after the employee has left Federal service or to the employee's beneficiary.
11.6	Military personnel - basic allowance for housing	Basic allowance given for housing to personnel of the uniformed service, including the commissioned corps of the Public Health Service and the National Oceanic and Atmospheric Administration.
11.7	Military personnel	The regular salaries and wages paid to personnel of the uniformed service, including the commissioned corps of the Public Health Service and the National Oceanic and Atmospheric Administration (some of which may be withheld from the employee's check to pay taxes, to pay a bill in a credit union, or to pay the employee's share of life and health insurance) as well as amounts above the basic pay rates. For "amounts above the basic pay rates," apply the same definitions as for civilian employees in object class 11.5. Include: • Flight pay. • Basic allowance for subsistence (BAS). • Extra pay based upon conditions of environment (except cost of living allowances for locations outside the contiguous 48 States and the District of Columbia which will be classified in object class 12.2, Military personnel benefits).
11.8	Special personal services payments	Payments for personal services that do not represent salaries or wages paid directly to Federal employees and military personnel. Include: • Reimbursable details, that is, payments to other accounts for personal services of civilian employees and military personnel on reimbursable detail (both compensation and personnel benefits). • Reemployed annuitants, that is, payments by an agency employing an annuitant to reimburse the Civil Service Retirement and Disability Fund for the annuity paid to that employee under 5 U.S.C. 8339 through 8344. • Non-Federal civilians, such as witnesses; casual workers, patient and inmate help, and allowances for trainees and volunteers. • Salary equalization (authorized under 5 U.S.C. 3372 and 3584) to individuals on leave of absence while employed by international

Entry		Description
		organizations or State and local governments, when the equalization payment is 50 percent or less of the person's salary. • Staff of former presidents paid by the General Services Administration (GSA) under 3 U.S.C. 102(b). • Payments from the Working Capital Fund to the military personnel accounts to reimburse for work done by military personnel for the Working Capital Fund. • Payments to a person who tells someone in authority about alleged dishonest or illegal activities occurring in a government agency. Often referred to as a "whistleblower."
11.9	Total personnel compensation	This line is automatically generated when there are multiple direct compensation lines.
12	Personnel benefits	Benefits for ***currently*** employed Federal civilian, military and certain non-Federal personnel. Covers object classes 12.1 and 12.2. *Note:* Show benefits to certain ***former*** civilian and military personnel in object classes 13.0 and 42.0.

12.1	Civilian personnel benefits	Cash payments (from the agency, not funds withheld from employee compensation) to other funds for the benefit of Federal civilian employees or direct payments to these employees.
		Include payments to or for certain non-Federal employees as required by law. Non-Federal civilian employees are employees who are not reportable to the Office of Personnel Management as Federal employees, such as witnesses, casual workers, trainees, volunteers. For example, Peace Corps and VISTA volunteers, Job Corps enrollees, and U.S. Department of Agriculture Extension Service agents.
		Include:
		• Insurance and annuities, which are the employer's share of payments for life insurance, health insurance, employee retirement (including agency contributions to the Thrift Savings Program), work injury disabilities or death and professional liability insurance (which are payments to reimburse qualified Federal employees for up to one half the cost of professional liability insurance premiums, as authorized by P.L. 104–208 and amended by P.L. 106–58).
		• Recruitment, retention, and other incentives, such as:
		  o Payments above the basic rate for recruitment bonuses, relocation bonuses, and retention allowances authorized by 5 U.S.C. 5753 and 5754.
		  o Payment to the loan holder (e.g., the bank) to repay an employee's student loan as a recruitment incentive.
		  o Extended assignment incentives.
		  o Relocation and other expenses related to permanent change of station (PCS), except expenses for travel and transportation and the storage and care of vehicles and household goods (see section 83.8).
		  o Cash allowances for separate maintenance, education for dependents, transfers for employees stationed abroad, and personal allowances based upon assignment or position, and overseas differentials.

Entry		Description
		○ Cost-of-living allowances (COLAs) as authorized under 5 U.S.C. 5924 and 5941 and other laws. Note: COLAs are classified as benefits in object class 12 (and not as compensation in object class 11) because they are not related to the job or service performed. ○ Student loan repayments authorized by 5 U.S.C. 5379. ○ Other allowances and payments such as allowances for uniforms and quarters, special pay that is paid in a lump sum (such as compensatory damages or employee settlements), reimbursements for notary public expenses, and subsidies for commuting costs, that is, payments to subsidize the costs of Federal civilian employees in commuting by public transportation.
12.2	Military personnel benefits	Cash allowances, payments of employer share to other funds or direct payments to military personnel. Include: • Cash allowances, such as: • Uniform allowances. • Extended assignment incentives. • Reenlistment bonuses. • Cost-of-living allowances. • Dislocation and family separation allowances. • Personal allowances based upon assignment or rank. • Continuation pay. • Payments to other funds, such as the employer's share of military retirement, Thrift Savings Plan, Medicare-Eligible Retiree Health Care, Federal Insurance Contribution Act taxes, Servicemen's Group Life Insurance premiums, and education benefits. Subsidies for commuting costs, which are payments to subsidize the costs of military personnel in commuting by public transportation. Exclude: • Basic allowance for housing which classified in object class 11.6; Hazardous duty pay, flight pay, extra pay based upon conditions of work environment, and other such pay, which are classified as military personnel compensation in object class 11.7; and benefit payments to veterans resulting from their past service, which are classified as benefits to former personnel in object class 13.0. • Homeowners assistance which are classified as grants, subsidies and contributions in object class 41.0.
13.0	Benefits for former personnel	Benefits for former officers and employees or their survivors that are based (at least in part) on the length of service to the Federal Government. Include: • Retirement benefits in the form of pensions, annuities, or other retirement benefits paid to former military and certain civilian government personnel or to their survivors.

Entry		Description
		• Exclude payments made directly to beneficiaries from retirement (special or trust) funds, which are classified as insurance claims and indemnities under object class 42.0. • Separation pay, which are severance payments to former employees who were involuntarily separated through no fault of their own and voluntary separation incentive (VSI) payments, also known as "buy-outs" to employees who voluntarily separate from Federal service. • Payments to other funds for ex-Federal employees and ex-service personnel (e.g., agency payments to the unemployment trust fund for ex-employees and one-time agency payments of final basic pay to the civil service retirement fund for employees who took the early-out under buy-out authority) and other benefits paid directly to the beneficiary. Also, government payment to the employees' health benefits and life insurance funds for annuitants. Exclude: • In-kind benefits, such as hospital and medical care, which are classified under the object class representing the nature of the items purchase.
20	CONTRACTUAL SERVICES AND SUPPLIES	This major object class covers purchases of contractual services and supplies in object classes 21.0 through 26.0.
21.0	Travel and transportation of persons	Travel and transportation costs of government employees and other persons, while in an authorized travel status, that are to be paid by the Government either directly or by reimbursing the traveler. Consists of both travel away from official stations, subject to regulations governing civilian and military travel, and local travel and transportation of persons in and around the official station of an employee. Include: • Contracts to transport people from place to place, by land, air, or water, such as commercial transportation charges; rental or lease of passenger cars; charter of trains, buses, vessels, or airplanes; ambulance service or hearse service; and expenses incident to the operation of rented or chartered conveyances. (Rental or lease of all passenger-carrying vehicles is to be charged to this object class, even though such vehicles may be used incidentally for transportation of things.) • Incidental travel expenses which are other expenses directly related to official travel, such as baggage transfer, and telephone and telegraph expenses, as authorized by travel regulations.
22.0	Transportation of things	Transportation of things (including animals), the care of such things while in process of being transported, and other services incident to the transportation of things. Include: • Freight and express charges by common carrier and contract carrier, including freight and express, switching, crating, refrigerating, and other incidental expenses.

Entry		Description
		• Trucking and other local transportation charges for hauling, handling, and other services incident to local transportation, including contractual transfers of supplies and equipment. • Mail transportation charges for express package services (i.e., charges for transporting freight) and postage used in parcel post. • Exclude other postage and charges that are classified under object class 23.3. • Transportation of household goods related to permanent change of station (PCS). • Temporary storage of household goods, including those associated with a permanent change of station (PCS), is an intervening and temporary layover of goods. Exclude: • Transportation paid by a vendor, regardless of whether the cost is itemized on the bill for the commodities purchased by the Government. Since shipping charges are not consistently separated on bills for commodities purchased, they should not be recorded under this object class even if such a separation is provided.
23	Rent, Communications, and Utilities	Payments for the use of land, structures, or equipment owned by others and charges for communication and utility services. Object class 23 covers object classes 23.1 through 23.3.
23.1	Rental payments to GSA	Payments to the General Services Administration (GSA) for rental of space and rent related services. Exclude: • Payments to a non-Federal source, which will be reported in object class 23.2, *Rental payments to others*. • Payments to agencies other than GSA for space, land, and structures that are subleased or occupied by permits, which will be classified in object class 25.3, *Other goods and services from Federal sources*, regardless of whether the space is owned or leased by the agency other than GSA. • Payments for related services provided by GSA in addition to services provided under rental payments, e.g., extra protection or extra cleaning, which will be classified in object class 25.3, *Other goods and services from Federal sources*. • Payments for rental of transportation equipment, which are classified under object class 21.0, *Travel and transportation of person*, or object class 22.0, *Transportation of things*.
23.2	Rental payments to others	Payments to a non-Federal source for rental of space, land, and structures.
23.3	Communications, utilities, and miscellaneous charges	Payment for information technology, utilities and miscellaneous charges. Include: • Rental or lease of information technology equipment, include any hardware or software, or equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or

Entry		Description
		information, such as mainframe, mid-tier, and workstation computers. • Exclude contractual services involving the use of equipment in the possession of others, such as computer time-sharing or data center outsourcing, which will be classified in object class 25.7, *Operation and maintenance of equipment*. • Information technology services, include data, voice, and wireless communication services, such as long-distance telephone services from other Federal agencies or accounts. • Exclude charges for maintenance of information technology and related training and technical assistance, when significant and readily identifiable in the contract or billing, which will be classified in object class 25.7, *Operation and maintenance of equipment*. • Postal services and rentals, include postage (exclude parcel post and express mail service for freight); contractual mail (include express mail service for letters) or messenger service; and rental of post office boxes, postage meter machines, mailing machines, and teletype equipment. • Data communication services (voice, data, and wireless) from other government agencies or accounts. • Utility services include heat, light, power, water, gas, electricity, and other utility services. • Miscellaneous charges, for example, periodic charges under purchase rental agreements for equipment. (Payments subsequent to the acquisition of title to the equipment should be classified under object class 31.0, *Equipment*.) Exclude payments under lease-purchase contracts for construction of buildings, which will be classified in object class 32.0, *Land and structures*, or object class 43.0, *Interest and dividends*, and for lease-purchase contracts for information technology and telecommunications equipment, which will be classified in object class 31.0, *Equipment*.
24.0	Printing and reproduction	Printing and reproduction obtained from the private sector or from other Federal entities. Include: • Electronic publications. • Photo composition, photography, blueprinting, photostating, and microfilming. Includes electronic asset management of photography and videos. • Typesetting and lithography. • Duplicating. • Standard forms when specially printed or assembled to order and printed envelopes and letterheads. • Publication of notices, advertising, radio and television time. • The related composition and binding operations performed by the Government Publishing Office, other agencies, or other units of the

Entry		Description
		same agency on a reimbursable basis, and commercial printers or photographers. *Note*: In determining subclasses for administrative use, agencies may appropriately maintain a distinction between traditional printing technologies and photo static reproduction.
25	Other contractual services	Object class 25 covers object classes 25.1 through 25.8.
25.1	Advisory and assistance services	Services acquired by contract from non-Federal sources (that is, the private sector, foreign governments, state and local governments, tribes), as well as, from other units within the Federal Government. This object class consists of three types of services: • Management and professional support services. • Studies, analyses, and evaluations. • Engineering and technical services. Each is described in further detail below. Management and professional support services. Include: • Services that assist, advise, or train staff to achieve efficient and effective management and operation of organizations, activities, or systems (including management and professional support services for information technology and R&D activities). • Services that are normally closely related to the basic responsibilities and mission of the agency contracting for the services. • Services that support or contribute to improved organization of program management, logistics, management, project monitoring and reporting, data collection, budgeting, accounting, performance auditing, and administrative/technical support for conferences and training programs. • Exclude auditing of financial statements, which will be classified in object class 25.2, *Other services from non-Federal sources*. Studies, analyses, and evaluations provide organized analytic assessments or evaluations in support of policy development, decision-making, management, or administration. Include: • Studies in support of information technology and R&D activities. • Models, methodologies, and related software supporting studies, analyses, or evaluations. Engineering and technical services (excluding routine engineering services and operation and maintenance of information technology and data communications services). Include: • Services that support the program office during the acquisition cycle by providing such services as information technology architecture development, systems engineering, and technical direction (FAR 9.505–1(b)).

Entry		Description
		• Services that ensure the effective acquisition, operation, and maintenance of a major acquisition, weapon system or major system, as defined in OMB Circular A–109 and in this Circular's supplement, Capital Programming Guide. • Provide direct support of a major acquisition or weapons system that is essential to planning, R&D, production, or maintenance of the acquisition or system. • Information technology consulting services, such as information technology architecture design and capital programming, and investment control support services. • Software services such as implementing a web-based, commercial off-the-shelf software product that is an integral part of a consulting services contract. Exclude: • Information technology consulting services, which have large scale systems acquisition and integration or large scale software development as their primary focus. Classify these in object class 31.0, *Equipment*. • Personnel appointments and advisory committees. Classify these in object class 11.3, *Other than full-time permanent*. • Contracts with the private sector for operation and maintenance of information technology and telecommunication services. Classify these in object class 25.7, *Operation and maintenance of equipment*. • Architectural and engineering services as defined in the Federal Acquisition Regulations (FAR) 36.102 (40 U.S.C. 541). • Research on theoretical mathematics and basic medical, biological, physical, social, psychological, or other phenomena which will be classified in object class 25.5, *Research and development contracts*. • Other contractual services classified in object classes 25.2, Other services from non-Federal sources, through 25.8, Subsistence and support of persons, and 26.0, Supplies and materials.
25.2	Other services from non-Federal sources	Report contractual services with non-Federal sources that are *not otherwise classified* under this object class. Include: • Auditing of financial statements when done by contract with the private sector. • Exclude performance auditing by contract with the private sector, which will be classified in object class 25.1, *Advisory and assistance services* and auditing of financial statements when done by contract with another Federal Government entity, which will be classified in object class 25.3, *Other goods and services from Federal sources*. • Typing and stenographic service contracts with the private sector. • Purchases from state and local governments, the private sector, and government sponsored enterprises that are not otherwise classified. • Tuition for the general education of employees (e.g., for courses for credit leading to college or post graduate degrees).

Entry		Description
		• Exclude tuition for training closely-related to the basic responsibilities and mission of the agency, which are classified under object class 25.1, *Advisory and assistance services.* • Fees and other charges for abstracting land titles, premiums on insurance (other than payments to the Office of Personnel Management), and surety bonds. Exclude: • Advisory and assistance services contracts, which are classified under object class 25.1, *Advisory and assistance services*. • Contractual services reported in other object classes 21.0, 22.0, 23.1–23.3, 24.0, 25.1, 25.3–25.8, and 26.0. • Services in connection with the initial installation of equipment, when performed by the vendor, which will be classified in object class 31.0, *Equipment*. • Expenditure transfers between Federal accounts, which are classified in object classes 25.3, *Other goods and services from Federal sources,* and 92.0, *Undistributed*, as described below. • Repair, maintenance, and storage of vehicles and storage of household goods, which are reported in object class 25.7, *Operation and maintenance of equipment*. • Repairs and alterations to buildings, which are classified in object classes 25.4, *Operation and maintenance of facilities*, or 32.0, *Land and structures*, as appropriate. • Subsistence and support of persons, which is classified as object class 25.8, *Subsistence and support of persons*. • Research and development contracts which will be classified in object classes, *Advisory and assistance services*, 25.4, *Operation and maintenance of facilities*, and 25.5, *Research and development contracts*, as appropriate.
25.3	Other goods and services from Federal sources	Purchases from other Federal Government agencies or accounts *that are not otherwise classified*. **Do not use this object class if a more specific object class applies. See section 83.14.** Include: • Rental payments to Federal Government accounts other than the GSA Federal Buildings Fund. • Interagency agreements for contractual services (including the Economy Act) for the purchase of goods and services, except as described below. • Expenditure transfers between Federal Government accounts for jointly-funded grants or projects. Exclude: • Purchases from state and local governments, the private sector, and government-sponsored enterprises that are not otherwise classified. Classify these in object class 25.2, *Other services from non-Federal sources*.

Entry		Description
		• Data communication services (voice, data, and wireless) from other agencies or accounts. Classify these in object class 23.3, *Communications, utilities, and miscellaneous charges*. • Agreements with other agencies to make repairs and alterations to buildings. Classify these in object classes 25.4, *Operation and maintenance of facilities*, or 32.0, *Land and structures*, as appropriate. • Storage and maintenance of vehicles and household goods. • Classify these in object class 25.7, *Operation and maintenance of equipment*. • Subsistence and support of persons. Classify these in object class 25.8, *Subsistence and support of persons*. • Development of software, or maintenance of software or hardware. Classify these in object classes 31.0, *Equipment*, and 25.7, *Operation and maintenance of equipment*, respectively. • Advisory and assistance services. Classify these in object class 25.1, *Advisory and assistance services*. • Payments made to other agencies for services of civilian employees or military personnel on reimbursable detail. Classify these in object class 11.8, *Special personal services payments*. • Contractual services classified under object classes 21.0, 22.0, 23.1–23.3, 24.0, 25.2, 25.4–25.8, and 26.0.
25.4	Operation and maintenance of facilities	Operation and maintenance of facilities when done by contract with the private sector or another Federal Government account. Include: • Government-owned contractor-operated facilities (GOCOs). • Service contracts and routine repair of facilities and upkeep of land. • Operation of facilities engaged in research and development activities. Exclude: • Alterations, modifications, or improvements to facilities and land, which will be reported in object class 32.0, *Land and structures.*
25.5	Research and development contracts	Contracts for the conduct of basic and applied research and development. Exclude: • Advisory and assistance services for research and development (object class 25.1, *Advisory and assistance services*). • Operation and maintenance of R&D facilities (object class 25.4, *Operation and maintenance of facilities*).
25.6	Medical care	Payments to private sector contractors as well as Federal agency contractors for medical care. Include: • Payments to Medicare contractors. • Payments to private hospitals. • Payments to nursing homes.

Entry		Description
		• Payments to group health organizations for medical care services provided to veterans. • Payments to carriers by the Employees and Retired Employees' Health Benefits Fund and the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). • Payments to HHS for medical care provided by Public Health Service officers. Exclude: • Contracts with individuals who are reportable under Office of Personnel Management regulations as Federal employees (object class 11.3, *Other than full-time permanent*, or 11.5, *Other personnel compensation*, as appropriate). • Payments to compensate casual workers and patient help (object class 11.8, *Special personal services payments*).
25.7	Operation and maintenance of equipment	Operation, maintenance, repair, and storage of equipment, when done by contract with the private sector or another Federal Government account. Include: • Storage and care of vehicles and storage of household goods, including those associated with a permanent change of station (PCS). • Operation and maintenance of information technology systems, including maintenance that is part of a rental contract, when significant and readily identifiable in the contract or billing. • Contractual services involving the use of equipment in the possession of others, such as computer time-sharing or data center outsourcing. Exclude: • Rental of information technology systems, services and other rentals, which are classified in object class 23.3, *Communications, utilities, and miscellaneous charges.* • Contracts where the principal purpose is to develop or modernize software, which are classified in object class 31.0, *Equipment*. • Temporary storage of household goods related to an intervening layover, which are classified in object class 22.0 *Transportation of things*.
25.8	Subsistence and support of persons	Contractual services with the public or another Federal Government account for the board, lodging, and care of persons, including prisoners. Exclude travel items, which are classified under object class 21.0, *Travel and transportation of persons*, and hospital care, which is classified under object class 25.6, *Medical care*.
26.0	Supplies and materials	Commodities that are: • Ordinarily consumed or expended within one year after they are put into use. • Converted in the process of construction or manufacture. • Used to form a minor part of equipment or fixed property.

Entry		Description
		• Other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency. Include: • Office supplies, such as pencils, paper, calendar pads, notebooks, standard forms (except when specially printed or assembled to order), unprinted envelopes, other office supplies, and property of little monetary value, such as desk trays, pen sets, and calendar stands. • Publications, such as pamphlets, documents, books, newspapers, periodicals, records, cassettes, or other publications whether printed, microfilmed, photocopied, or otherwise recorded for auditory or visual use that are off-the-shelf rather than specially ordered by or at the request of the agency. • Exclude publications acquired for permanent collections, which are classified under object class 31.0, *Equipment*. • Information technology supplies and materials, such as manuals, data storage media (CD-ROM, diskettes, digital tape), and toner cartridges for laser printers or fax machines. • Exclude charges for off-the-shelf software purchases which should be classified in object class 25.1, *Advisory and assistance services*, if the purchase is an integral part of a consulting services contract, or object class 31.0, *Equipment*, if the purchase is considered equipment. • Chemicals, surgical and medical supplies. • Fuel used in cooking, heating, generating power, making artificial gas, and operating motor vehicles, trains, aircraft, and vessels. • Clothing and clothing supplies, such as materials and sewing supplies used in manufacture of wearing apparel. • Provisions such as food and beverages. • Cleaning and toilet supplies. • Ammunition and explosives. • Materials and parts used in the construction, repair, or production of supplies, equipment, machinery, buildings, and other structures.
30	ACQUISITION OF ASSETS	This major object class covers object classes 31.0 through 33.0. Include capitalized (depreciated) assets and non-capitalized assets.
31.0	Equipment	Purchases of: • Personal property of a durable nature, that is, property that normally may be expected to have a period of service of a year or more after being put into use without material impairment of its physical condition or functional capacity. • The initial installation of equipment when performed under contract. Include: • Transportation equipment. • Furniture and fixtures.

Entry		Description
		• Publications for permanent collections. • Tools and implements. • Machinery including construction machinery. • Instruments and apparatus. • Information technology hardware or software, custom and commercial off-the-shelf software, regardless of cost, such as central processing units (CPUs), modems, signaling equipment, telephone and telegraph equipment, and large scale system integration services. • Exclude software that is an integral part of consulting services contracts, as defined in object class 25.1, *Advisory and assistance services*. Also exclude rental of information technology systems and services, which are classified under object class 23.3, *Communications, utilities, and miscellaneous charges*. • Armaments including special and miscellaneous military equipment. • Payments for lease-purchase contracts for information technology and telecommunications equipment. Exclude: • Supplies and materials classified under object class 26.0, *Supplies and materials*; purchase of fixed equipment, which is classified under object class 32.0, *Land and structures*; and operation, maintenance and repair of equipment classified in object class 25.7, *Operation and maintenance of equipment.*
32.0	Land and structures	Purchase and improvement (additions, alterations, and modifications) of land and structures. Include: • Land and interest in lands, including easements and rights of way. • Buildings and other structures, including principal payments under lease-purchase contracts for construction of buildings. • Nonstructural improvements of land, such as landscaping, fences, sewers, wells, and reservoirs. • Fixed equipment when acquired under contract (whether an addition or a replacement). These are fixtures and equipment that become *permanently* attached to or a part of buildings or structures. Examples include elevators, plumbing, power-plant boilers, fire-alarm systems, lighting or heating systems, and air-conditioning or refrigerating systems. Include the cost of the initial installation when performed under contract. Exclude: • Routine maintenance and repair, which will be classified in object class 25.4, *Operation and maintenance of facilities*.
33.0	Investments and loans	Purchase of investments and loans. Include: • Stocks, bonds, debentures, and other securities that are neither U.S. Government securities nor securities of wholly-owned Federal Government enterprises.

Entry		Description
		• Temporary or permanent investments. • Interest accrued at the time of purchase and premiums paid on all investments. *Note:* For credit program accounts and liquidating accounts, see section 185 for object classification related to defaults. There should be no object classification for credit financing accounts printed in the *Appendix*. However, the agency's financial system should continue to provide object class information for the financing accounts.
40	GRANTS AND FIXED CHARGES	This major object class covers object classes 41.0 through 44.0.

41.0	Grants, subsidies, and contributions	Cash payments to States, other political subdivisions, corporations, associations, and individuals.
		Include:
		• Grants (including shared revenues).
		• Subsidies (including credit program costs).
		• Gratuities and other aid (including readjustment and other benefits for veterans, other than indemnities for death or disability).
		• Contributions to foreign countries, international societies, commissions, proceedings, or projects that are:
		  o Lump sum or quota of expenses.
		  o Fixed by treaty.
		  o Discretionary grants.
		• Taxes imposed by State and local taxing authorities where the Federal Government has consented to taxation (excluding the employer's share of Federal Insurance Contribution Act taxes) and payments in lieu of taxes.
		Note: Obligations under grant programs that involve the furnishing of services, supplies, materials, and the like by the Federal Government, rather than cash, are not charged to this object class, but to the object class representing the nature of the services, articles, or other items that are purchased.

42.0	Insurance claims and indemnities	Benefit payments from the social insurance and Federal retirement trust funds and payments for losses and claims including those under the Equal Access to Justice Act. Include: Social insurance and retirement payments for individuals from special and **trust funds** for: • Social security. • Medicare. • Unemployment insurance. • Railroad retirement. • Federal civilian retirement. • Military retirement. • Other social insurance and retirement programs.

Entry		Description
		Insurance payments from Federal insurance revolving funds, such as the Bank Insurance Fund, for: • Liquidation and insurance. • Litigation settlements due receivers and trustees. • Working capital outlays. • Net case resolution losses. • Other unpaid resolution obligations, not otherwise classified. Other claim or indemnity payments: • To veterans and former civilian employees or their survivors for death or disability, whether service-connected or not. • Of claims and judgments arising from court decisions or abrogation of contracts; indemnities for the destruction of livestock, crops, and the like; damage to or loss of property; and personal injury or death. • To or for persons displaced as a result of Federal and federally assisted programs, as authorized under 42 U.S.C. 4622–4624. • For losses made good on government shipments. • From liquidating accounts on guarantees where no asset is received and where forgiveness is not provided by law. *Note:* Classify other payments by Federal insurance revolving funds to the object classes to which they apply, for example classify premiums on investments in object class 33.0, Investments and loans, and interest expenses in object class 43.0, Interest and dividends).
43.0	Interest and dividends	Include: • Payments to creditors for the use of moneys loaned, deposited, overpaid, or otherwise made available (including the payments of principal, in exceptional cases, where the repayment is made via an obligation and outlay). • Distribution of earnings to owners of trust or other funds. • Interest payments under lease-purchase contracts for construction of buildings. • Payment of interest charges to vendors for late payment should not be included in this object class. Interest charges for late payment should be classified under the object class of the acquisition for which the payment was late.
44.0	Refunds	Payments of amounts collected by the Government in a previous fiscal year. Include: • Payments to correct errors in computations, erroneous billing, and other factors (see section 20.10). • Payments to former employees or their beneficiaries for employee contributions to retirement and disability funds (e.g., payments made when employees die before retirement or before their annuities equal the amount withheld).

Entry		Description
		• Payments to return cash advances or other offsetting collections or special or trust fund receipts received in a prior fiscal year (see section 20.10). *Note*: In the account receiving the refund, previously recorded obligations will be reduced in the appropriate object class(es) by the amount of the refund, if the refund is received in the same year as the obligations are reported (see section 20.10).
90	OTHER	This major object class covers object classes 91.0 through 99.5.
91.0	Unvouchered	Charges that may be incurred lawfully for confidential purposes and are not subject to detailed vouchering or reporting.
92.0	Undistributed	Charges that cannot be distributed to the object classes listed above. Use this object class only with the prior approval of OMB.
94.0	Financial transfers	This object class is used for obligations that represent financial interchanges between Federal Government accounts that are not in exchange for goods and services, e.g., an expenditure transfer that shifts budgetary resources between Federal funds and trust funds regardless of the purpose.
99.0	Subtotal, obligations	This entry is automatically generated by MAX A-11 DE: • For *direct* obligations, the subtotal stub entry should appear when more than one object class category is reported in a single account. • For *reimbursable* obligations, the subtotal stub entry, "Reimbursable obligations," should appear, even if all reimbursable obligations are classified in a single object class category.
99.5	Adjustment for rounding	Use this object class adjustment line when the sum of the object class detail lines differ from total obligations due to rounding the detail amounts to the million. Amounts can be negative. There will be *only one* adjustment line per object class schedule. It will: • Follow the last subtotal (object class 99.0) for the schedule. • Be coded 9995 in MAX A-11 DE. Do not report amounts of more than +/- $4 million in this object class, unless approved by OMB.
99.9	Total new obligations, unexpired accounts	

83.7 What object classes do I associate with civilian and military pay and benefits in the baseline?

Civilian pay and benefits means the budgetary resources used to fund civilian compensation and benefits consistent with object classes 11.1 through 11.5 and 12.1.

Military pay and benefits means the budgetary resources used to fund military personnel compensation and benefits consistent with object classes 11.6, 11.7 and 12.2.

83.8 How do I classify relocation expenses related to a permanent change of station (PCS)?

When an employee accepts a Federal position at a different location, such as at a different state, this is called a permanent change of station. An agency, at its discretion, may reimburse the employee for a variety

of expenses related to the relocation. Follow the instructions in the table to classify these expenses among the object classes.

If the obligations are for ...	Then classify in object class ...
Transportation, per diem while in travel status, or reimbursement of actual travel expenses for the employee or the employee's immediate family	21.0 Travel and transportation of persons
Transportation of household goods, house trailers, and effects	22.0 Transportation of things
Storage and care of vehicles and household goods	25.7 Operation and maintenance of equipment
All other relocation expenses for *civilian* employees, such as: • Allowances for expenses incurred in connection with a sale of a residence or settlement of an unexpired lease. • Subsistence when occupying temporary quarters (in contrast to per diem while in travel status, above). • Reimbursements of amounts equal to income taxes incurred by transferred employees for moving or storage expenses under 5 U.S.C. 5724b • Contractual charges for relocation services under 5 U.S.C. 5724c • Miscellaneous moving expenses under 5 U.S.C. 5724a	12.1 Civilian personnel benefits
All other relocation expenses for *military* personnel	12.2 Military personnel benefits

83.9 How do I classify purchases related to information technology (IT)?

The general rule on how to classify IT obligations among the various object classes is to focus on the nature of the services, articles or other items for which obligations are first incurred. The following table shows the application of this rule.

If the obligations are for ...	Then classify in object class ...
IT services or the rental of IT equipment	23.3 Communications, utilities, and miscellaneous charges
Operation and maintenance of IT systems by the private sector	25.7 Operation and maintenance of equipment
Operation and maintenance of IT systems by another Federal Government account	25.7 Operation and maintenance of equipment
IT hardware and software	31.0 Equipment
IT supplies and materials, such as manuals, diskettes, toner cartridge	26.0 Supplies and materials

If the obligations are for ...	Then classify in object class ...
IT consulting services in the form of: • Management and professional support services. • Studies, analyses, and evaluations. • Engineering and technical services.	25.1 Advisory and assistance services

83.10 How do I classify obligations for education and training?

The general rule on how to classify education and training obligations among the various object classes is to focus on the nature of the services, articles or other items for which obligations are first incurred. The following table shows the application of this rule.

If the obligations are for ...	Then classify in object class ...
Payments of tuition to universities or colleges leading to a degree, or for attendance at conferences	25.2 Other services from non-Federal sources
All other payments to a private sector company for training courses	25.1 Advisory and assistance services
Payments to other Federal government agencies for training courses	25.1 Advisory and assistance services
Cash allowances for the education of dependents that are provided as recruitment and retention incentives for civilian employees	12.1 Civilian personnel benefits
Payment to the loan holder (e.g., the bank) to repay an employee's student loan as a recruitment incentive	12.1 Civilian personnel benefits
Cash allowances for the education of dependents that are provided as recruitment and retention incentives for military personnel	12.2 Military personnel benefits

83.11 How do I classify obligations for real property (space, land, and structures)?

Classify obligations for the *purchase, including lease purchase, or improvement* (that is, alteration or modification) of real property in object class 32, *Land and structures.*

Classify the *rental or lease* of real property, as follows:

If the obligation are for ...	And if ...	Then classify in object class ...
Payment to another Federal government account	The other account is GSA's Federal Buildings Fund*	23.1 Rental payments to GSA
Payment to another Federal government account	The other account is NOT GSA's Federal Buildings Fund	Purchases of goods and services from government accounts Note: The paying account must use this object class code but may

If the obligation are for ...	And if ...	Then classify in object class ...
		change the title to "Rental payments to GSA."
Payment to the private sector		23.2 Rental payments to others

* Classify amounts for the *standard* services, such as cleaning and security, covered by the *basic rental charge* assessed by GSA in object class 23.1, *Rental payments to GSA*. However, if the payment is for rent "related" services provided by GSA in addition to services provided under rental payments, for example, extra protection or extra cleaning, report the amounts under object class 25.3, *Other goods and services from Federal sources*.

GSA operating delegations. When GSA *delegates* the operation of a facility back to an agency ("operating delegations"), the agency is in charge of operating the facility. GSA bills for basic rental charges differ depending on whether the building is owned or leased by GSA.

For GSA-leased buildings, the GSA bills the total (gross) amount of the basic rental charge which includes a charge for operating the building. In these cases, the following transactions occur:

- GSA bills the agency for the *gross* amount of the basic rental charge.
- Agency records obligations in object class 23.1, *Rental payments to GSA*, and pays GSA's Federal Buildings Fund the *gross* amount.
- GSA *rebates* the amount for operating the facility back to the agency.
- Agency records the amount rebated as offsetting collections.
- If the agency, in turn, contracts with the private sector to clean the facilities, the obligations are classified in object class 25.4, *Operation and maintenance of facilities.*
- If the agency, in turn, contracts with another agency (for example, to guard the building), the obligations are classified in object class 25.3, Other goods and services from Federal sources.

The above treatment will continue for rental of *GSA-leased buildings*.

83.12 How do I classify obligations for Federal civilian retirement under the Civil Service Retirement System (CSRS)?

Use the following:

If the obligations are for ...	Then classify in object class ...
The accrual for the future retirement cost of current civilian personnel covered by CSRS that is charged to the accounts that pay direct compensation to those personnel. *Note:* The corresponding receipts credited to the civil service retirement and disability trust fund are treated as undistributed offsetting receipts (Employer share, employee retirement on the inter fund transaction line).	12.1 Civilian personnel benefits

If the obligations are for ...	Then classify in object class ...
The Government's share of retirement costs that amortize increases in the static unfunded liability created since October 20, 1969 by any statute which authorizes new or liberalized benefits, an extension of retirement coverage, or pay increases *Note:* This applies to OPM's "Payment to the Civil Service Retirement and Disability Fund" account only.	12.1 Civilian personnel benefits
Interest on the static unfunded liability and annuity disbursements attributable to military service and the payment to provide annuities to former spouses of annuitants who died between September 1978 and May 1986 and who did not elect survivor coverage *Note:* This applies to OPM's "Payment to the Civil Service Retirement and Disability Fund" account only.	13.0 Benefits for former personnel
Payments to CSRS retirees *Note:* This applies to OPM's "Civil Service Retirement and Disability Fund" account only.	42.0 Insurance, claims, and indemnities

83.13 How do I classify obligations for military retirement?

Since 1985, when the financing of military retirement changed to an accrual basis, the payments should be classified as follows:

If the obligations are ...	Then classify in object class ...
The accrual for the future retirement cost of current military personnel that is charged to the accounts that pay direct compensation to those personnel *Note:* The corresponding receipts credited to the military retirement trust fund are treated as undistributed offsetting receipts (Employer share, employee retirement on the inter fund transaction line).	12.2 Military personnel benefits
From general revenues to the military retirement fund to finance retirement costs for service prior to 1985 *Note:* This applies to the "Payment to Military Retirement Fund" account only.	13.0 Benefits for former personnel
Made to military retirees *Note:* This applies only to the "Military Retirement Fund" and the Veterans Affairs "Compensation and Benefits" accounts.	42.0 Insurance, claims, and indemnities

See also section 83.16 for the classification of Tricare benefits earned by all uniformed service members.

83.14 How do I classify intragovernmental transactions?

For payments between two Federal Government accounts for:

- Relocation expenses, see section 83.8;
- Information technology, see section 83.9;
- Education and training, see section 83.10;
- Real property, see section 83.11;
- Federal civilian retirement under CSRS, see section 83.12; and
- Military retirement, see section 83.13.

For other payments between two Federal Government accounts, classify the obligations as follows:

If the obligations are ...	Then classify in object class ...
Transfers by the paying account to reimburse the receiving account for an asset or a service *with a specific object class*	The paying account should classify the *direct* obligations in the object class that best describes the purchase, such as: 21.0 Travel and transportation of persons 22.0 Transportation of things 23.1 Rental payments to GSA 23.2 Rental payments to others 23.3 Communications, utilities, and miscellaneous charges 24.0 Printing and reproduction 25.1 Advisory and assistance services 25.4 Operation and maintenance of facilities 25.5 Research and development contracts 25.6 Medical care 25.7 Operation and maintenance of equipment 25.8 Subsistence and support of persons 26.0 Supplies and materials 31.0 Equipment 32.0 Land and structures 33.0 Investment and loans 43.0 Interest and dividends 44.0 Refunds
Transfers by the paying account to reimburse the receiving account for an asset or a service *without a specific object class*	25.3 Other goods and services from Federal sources. Do not use this object class if a more specific object class applies.
Transfers that merely moves resources between Federal government accounts (e.g., expenditure transfers between a trust fund and Federal fund accounts). Normally these transfers result from appropriations action or general transfer authority where the obligations are simply accounting transfers.	94.0 Financial transfers *Note:* The paying account should report direct obligations in object class 94.0 and the receiving account should distribute the obligations as direct obligations in the appropriate object classes.

83.15 How do I classify obligations under the Intergovernmental Personnel Act (IPA)?

Under the IPA, a Federal employee, with his or her consent, may be assigned temporarily to a non-Federal organization.

- *Detailed Federal employees*. A detailed Federal employee continues to receive pay, allowances, and benefits from the Federal agency. In some cases, these costs are reimbursed by the non-Federal organization.

- *Federal employees on leave without pay (LWOP)*. A Federal employee on LWOP is paid by the non-Federal organization to which he or she is assigned. The salary paid by the non-Federal organization may be more or less than the employee's current Federal salary. If the rate of pay of the non-Federal organization is less, then the Federal agency may pay a supplemental salary to the employee.

Also under the IPA, an employee of a non-Federal organization may be assigned temporarily to a Federal agency either (1) with a temporary Federal appointment or (2) on detail.

- *Non-Federal employees with temporary Federal appointments*. A non-Federal employee with a temporary Federal appointment is paid by the Federal agency to which he or she is assigned. However, he or she is eligible to enroll in the Federal Employees Health Benefits program only if the Federal appointment results in the loss of coverage under the non-Federal health benefits system. He or she is not covered by any retirement system for Federal employees or by the Federal Employees Group Life Insurance Program.

- *Non-Federal employees detailed to a Federal position*. A non-federal employee who is detailed to a federal agency continues to receive pay, allowances, and benefits from the non-federal organization to which he or she is employed. In some cases, these costs may be reimbursed by the Federal agency. In addition, if the non-Federal salary of the employee on detail is less than the minimum rate of pay for the Federal position, the Federal agency may supplement the salary to make up the difference.

Cost-sharing arrangements for IPA assignments are negotiated between the participating organizations. The Federal agency may agree to pay all, some, or none of the costs associated with an assignment. These include basic pay, supplemental pay, fringe benefits, and travel and relocation expenses.

Because of these cost-sharing arrangements you should use the following table to classify these obligations.

If the obligations are ...	And if the employees is ...	Then classify in object class ...	
Regular salaries and wages	Federal full-time and on detail to a non-Federal organization	11.1	Full-time permanent
	Federal but not full-time and on detail to a non-Federal organization Non-Federal with a temporary Federal appointment.	11.3	Other than full-time permanent
	Non-Federal on detail to a Federal agency to provide consulting services	25.1	Advisory and assistance services

If the obligations are ...	And if the employees is ...	Then classify in object class ...	
	Non-Federal on detail to a Federal agency to provide services other than consulting	11.8	Special personal services payments
Supplemental pay	Federal on LWOP Non-Federal on detail	11.8	Special personal services payments
Cash incentive awards	Federal Non-Federal with a temporary Federal appointment (*Note:* you cannot give this type of award to a non-Federal employee who is detailed to a Federal position.)	11.5	Other personnel compensation
Travel or relocation expenses		See sections 83.5 and 83.9	
Other expenses		See section 83.5	

83.16 How do I classify obligations for Tricare benefits for uniformed service members?

Tricare is a regionally administered program which provides healthcare for uniform service members, retirees, survivors, and their families. This program combines healthcare resources of the Air Force, Army, and Navy while enhancing them with a variety of civilian healthcare professionals.

The National Defense Authorization Act replaces annual appropriations to the military personnel accounts of the Department of Defense (DoD) with permanent, indefinite appropriations from the General Fund of the Treasury. The Tricare accrual payments are made at the beginning of each year, instead of at the end of each month, and will be based on planned troop levels within the enacted DoD budget, instead of on the actual number of military personnel at the end of each month. The funding is shown in separate accounts for the Army, the Navy, the Marine Corps, the Air Force, the Army reserve, the Navy reserve, the Marine Corps reserve, the Air Force reserve, the Army National Guard and the Air Force National Guard. These accounts will, in turn, pay the accruals to the DoD Medicare-Eligible Retiree Health Care Fund.

Tricare benefits are earned by all current uniformed service members not just those in the DoD. This means that accounts for the Commissioned Corps in the Public Health Service in the Department of Health and Human Services, the United States Coast Guard in the Department of Homeland Security, and the Commissioned Corps in the National Oceanic and Atmospheric Administration in the Department of Commerce will also pay the accruals to the DoD Medicare-Eligible Retiree Health Care Fund.

In turn, the DoD Medicare-Eligible Retiree Health Care Fund pays the health benefits for retired members of the uniformed service.

If the obligations are ...	Then classify in object class ...
The employing agency contributions by the Department of Defense (DoD), the Department of Health and Human Services, the Department of Homeland Security, and the Department of Commerce to the special DoD Medicare-Eligible Retiree Health	12.2 Military personnel benefits

If the obligations are ...	Then classify in object class ...
Care Fund to pay for *future* benefits earned by *current* uniformed service members. *Note:* The corresponding receipts deposited in the special fund receipt account are permanently appropriated to the DoD Medicare-Eligible Retiree Health Care Fund expenditure account.	
The annual payment from the general treasury to finance the accrued unfunded liability of *retired* uniformed servicemembers. This is paid to the DoD Medicare-Eligible Retiree Health Care Fund. *Note:* This applies to the "Payment to the DoD Medicare-Eligible Retiree Health Care Fund."	13.0 Benefits for former personnel
Direct payments for uniformed service retirees. *Note:* This applies to the "DoD Medicare-Eligible Retiree Health Care Fund account only."	42.0 Insurance, claims, and indemnities

83.17 How is object class information presented in schedule O and the *Appendix*?

You must first enter all object class information in schedule O in order to populate the *Appendix* with object class data. The *Appendix* presents object class information in tables called object class schedules, which display the object class codes, the object class titles, and the amounts of obligations in the past, current, and budget year.

Schedule O. Object class data are displayed in on the basis of a 4–digit line number followed by a 2-digit line serial number. The 4-digit line number is made up of a *prefix* and a *3-digit object class code*. The prefix for direct obligations is 1xxx and for reimbursable obligations is 2xxx. See exhibit 83A for a list of the 3-digit object class codes.

Note: The 3-digit object class code in schedule O is the same 3-digit object class code in the *Appendix*, except that in the *Appendix* there is a decimal before the last digit. See section 83.7 for the definitions of the object classes.

Appendix schedules. The object class schedules in the *Appendix* present the 3-digit object class codes and the object class titles.

Normally, the *Appendix* will include a separate object class schedule for each P&F schedule that reports obligations (see exhibits 83B). However, when all obligations in a P&F schedule are classified in a *single object class,* there will be no object class schedule in the *Appendix*. Instead, the code for the appropriate object class will be identified in the P&F schedule in parentheses at the end of the line for total new obligations, unexpired accounts. For example, if all obligations in a P&F are for grants, then "(object class 41.0)" will be at the end of the stub entry on line 10.00 of the P&F. Although there will be no object class schedule printed in the *Appendix*, you must enter the data in schedule O.

Normally, the *Appendix* includes only one object class line for each object class code and uses the standard titles listed in section 83.7. The default 2-digit line serial number is 01. However, you may insert additional object class lines in MAX A-11 DE and edit the standard titles. For example, to present employee travel separately from grantee travel in object class 21.0, *Travel and transportation of persons*, you may insert another line in schedule O, edit the standard titles, and distribute the obligations between the two lines.

Allocations between agencies. In some cases, funds appropriated to the President or to an agency are allocated to one or more agencies that help to carry out the program. Obligations incurred under such allocations are included in the data for the account to which the appropriation was made in the allocating agency, that is, the parent account. The parent account must enter the data in schedule O. The parent account may use additional object class lines (as described above) to separately present the parent and allocation account activity.

83.18 When I report data in schedule O, will it generate subtotals or totals?

Yes. MAX A-11 DE will generate subtotals for different types of obligations from the amounts that you entered, as follows:

- For reimbursable obligations (lines 2xxx), MAX A-11 DE will automatically generate a subtotal line 2990 when you enter at least one amount on lines 2xxx.

- For direct obligations (lines 1xxx), MAX A-11 DE will automatically generate a subtotal line 1990 when you enter more than one amount on lines 1xxx.

MAX A-11 DE will generate "Total new obligations, unexpired accounts" on line 9999, when you enter more than one amount above this line.

Summary of Object Class Codes and Standard Titles (Schedule O)

4-digit object class line number in schedule O.

Prefix	Type of obligation
1xxx	Parent account—direct
2xxx	Parent account—reimbursable

3-digit object class code	Standard Titles
	Personnel compensation and benefits
	Personnel compensation
X111	Full-time permanent
X113	Other than full-time permanent
X115	Other personnel compensation
X116	Military personnel - basic allowance for housing
X117	Military personnel
X118	Special personal services payments
X119	**Total personnel compensation***
X121	Civilian personnel benefits
X122	Military personnel benefits
X130	Benefits for former personnel
	Contractual services and supplies
X210	Travel and transportation of persons
X220	Transportation of things
	Rent, communications, and utilities
X231	Rental payments to GSA
X232	Rental payments to others
X233	Communications, utilities, and miscellaneous charges
X240	Printing and reproduction
	Other contractual services
X251	Advisory and assistance services
X252	Other services from non-Federal sources
X253	Other goods and services from Federal sources
X254	Operation and maintenance of facilities
X255	Research and development contracts
X256	Medical care
X257	Operation and maintenance of equipment
X258	Subsistence and support of persons
X260	Supplies and materials
	Acquisition of assets
X310	Equipment
X320	Land and structures
X330	Investments and loans
	Grants and fixed charges
X410	Grants, subsidies, and contributions
X420	Insurance claims and indemnities
X430	Interest and dividends
X440	Refunds
	Other
X910	Unvouchered
X920	Undistributed
X940	Financial transfers
X990	**Subtotal, obligations ***
9995	Adjustment for rounding
9999	**Total new obligations, unexpired accounts ***

* Automatically calculated by MAX A-11 DE

DEPARTMENT OF GOVERNMENT
OFFICE OF THE SECRETARY
Salaries and Expenses

Object Classification (in millions of dollars)

Identification code 099-2650-0-1-301		PY act.	CY est.	BY est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	113	112	115
11.3	Other than full-time permanent	3	3	3
11.5	Other personnel compenstation	3	3	3
11.8	Special personal services payments	1	1	1
11.9	Total personnel compensation	120	119	122
12.1	Civilian personnel benefits	24	24	25
23.1	Rental payments to GSA	23	23	24
25.4	Operation and maintenance of facilities - Program 1	4	4	4
25.4	Operation and maintenance of facilities - Program 2	1	1	1
25.7	Operation and maintenance of equipment	1	1	1
99.2	Undistributed	.....	4	4
99.0	Direct obligations	211	208	209
99.0	Reimbursable obligations	26	27	28
99.5	Adjustment for rounding	1	2	2
99.9	Total new obligations, unexpired accounts	238	237	239

Use to show payments that do not represent salaries or wages paid directly to Federal employees (section 83.5).

Additional detail lines can be used to break out object class obligations (e.g., different programs, allocation account obligations). Line stubs can be altered.

The reimbursable subtotal line will always appear whenever more than one category (e.g., direct, reimbursable, allocation, etc.) is reported and whenever any reimbursable obligations are reported in nonrevolving fund accounts.

Total new obligations and subtotals for direct and reimbursable obligations will agree with the corresponding amounts on the program and financing schedule. If total obligations do not match thesum of the object class detail amounts due to rounding, report the adjustment using object class 99.5 adjustments for rounding.