

**SAM—FISCAL AFFAIRS**  
**ALLOTMENT-EXPENDITURE ACCOUNTING**

**DETAILED INSTRUCTIONS**  
(Revised 3/87)

**8342.3**

The manner of recording encumbrances for the operating expense and equipment category varies, depending upon the allotment involved. Explanations below are intended to clarify the manner of accounting the various allotments. Some allotments are explained individually. Others are explained by class.

1. Traveling-in-state

Specific encumbrance documents are not provided for traveling. Therefore, encumbrance will be necessary only for the amount for lag applicable. (See SAM Section 8342.1.) Agencies will encumber at the beginning of each year an amount equal to their best estimate of the amount of expenses actually incurred as of the end of a month but not reflected on the records because the traveling expense vouchers either have not been submitted or having been submitted have not been scheduled in claims for payments.

2. Printing, traveling-out-of-state, equipment and all other allotments where all commitments are made by individual estimate, authorization, or contract affecting only one fiscal year.

Encumbrance will be by individual estimate, authorization, or other encumbrance document. The unencumbered balance, therefore, represents the amount available for placement of additional estimates.

3. Utilities and all other allotments, except traveling-in-state, where no encumbrance documents are prepared.

Agencies will encumber at the beginning of each fiscal year an amount equal to their best estimate of the amount of expenses actually incurred as of the end of a month but not reflected on its records because the bills either have not been received or, having been received, have not been scheduled in claims for payment. (See SAM Section 8342.1.) No lag will be encumbered for Pro Rata General Administrative Charges.

4. General Expense and all other allotments where commitments are made both with encumbrance documents and without encumbrance documents.

Encumbrance will be by individual estimates or other encumbrance documents. Agencies will encumber at the beginning of each fiscal year an estimate of the amount of expenses actually incurred at the end of the month for which specific encumbrance documents have been issued and which are not reflected, due to the delay in receiving invoices and scheduling claims for payment. (See SAM Section 8342.1)

5. Rent-building space

Agencies will encumber at the beginning of each fiscal year an amount equal to commitments made that extend into that fiscal year, as shown on Standard Form for Leases, Std. Form 1 or Department of General Services Assignment of Space, Form G.S. 4091. Encumbrance also will be made to reserve funds for renewal of leases containing such an option if the agency intends to exercise this right of renewal. There is no standard form specifically devised for recording these encumbrances. Agencies will use Request for Purchase Order or Estimate Change, Std. Form 96, to itemize and summarize these commitments. This information will be scheduled on a work sheet to support the encumbrance document if items are numerous.

Standard Form for Leases, Std. Form 1, and Department of General Services Assignment of Space, Form G.S. 4091, will be used to encumber funds as new premises are rented. Agencies will indicate on these forms the amount required for the fiscal year and the remaining unencumbered balance. The latter figure will represent the excess of the allotment over actual lease commitments and the amounts estimated to be required to exercise renewal options in existing leases.