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#### 4. Expenditures/Availability

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##### c. Time

”If purpose availability illustrates a revolving fund's strongest resemblance to a direct appropriation, time availability highlights perhaps the clearest divergence. As pointed out earlier in this discussion, one of the key features of a revolving fund is that it is available without further congressional action and without fiscal year limitation. This continuing availability has long been recognized as an inherent characteristic of a revolving fund, at least as that term is used in statutes enacted by the United States Congress. While the more modern statutes tend to include explicit language such as "without fiscal year limitation," without more, the term "revolving fund" alone would be construed to mean the same thing. 1 Comp. Gen. 704 (1922); 26 Comp. Dec. 295 (1919).

Thus, the various rules discussed in Chapter 5 governing the obligation and expenditure of fixed-year appropriations with respect to time do not apply to revolving funds. For purposes of comparison, the time availability of a revolving fund, unless otherwise restricted by statute, is similar to that of a no-year appropriation--the money is "available until expended." This being the case, the rules for no-year appropriations provide a useful analogy. Under a no-year appropriation--and therefore a revolving fund as well--"all statutory time limits as to when the funds may be obligated and expended are removed." 40 Comp. Gen. 694, 696 (1961). Amounts credited to the fund are treated as unobligated balances and are available for obligation the same as any other unobligated money in the fund. *Id.* at 697. Deobligated funds are treated the same way. B-200519, November 28, 1980.”

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**“As with the purpose arena, the intragovernmental revolving fund introduces an additional complication because it implicates the appropriations of the customer agency. When entering into a transaction with a revolving fund, the customer agency must apply the various time rules to its own appropriation. Thus, the freedom from time limitations most evident in the case of a public enterprise revolving fund is, in an intragovernmental fund, necessarily circumscribed by the nature and status of the supporting (customer) appropriations. Specifically, the customer agency must obligate its appropriation within its specified period of availability and for a bona fide need attributable to that period. With respect to performance, the revolving fund is in the same position as any other contractor unless the transaction is governed by a deobligation requirement like that found in the Economy Act. 31 Comp. Gen. 83 (1951).”**

*[Note: We state in Budget Issues: Franchise Fund Pilot Review (GAO-03-1069, Aug. 2003), that Franchise Fund pilots are not governed by the Economy Act. Hannah Laufe, GAO, OGC. See CPSC decision in subsequent document.]*