

<b>Subject:</b> Foreign Currency Fluctuations, Defense	<b>DoD Serial Number:</b> FY 02-34 IR
<b>Appropriation Title:</b> Foreign Currency Fluctuations, Defense Military Personnel, Operation and Maintenance, and Defense Health Program FY 2002 Appropriations	
<b>Includes Transfer?</b> Yes	

<b>Component Serial Number:</b>	<i>(Amounts in Thousands of Dollars)</i>							
	<b>Program Base Reflecting Congressional Action</b>		<b>Program Previously Approved by Sec Def</b>		<b>Reprogramming Action</b>		<b>Revised Program</b>	
<b>Line Item</b>	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>
a	b	c	d	e	f	g	h	i

Pursuant to the authority provided by Public Law 95-457, 92 Stat. 1236, and section 2779 of title 10 of the United States Code, this internal reprogramming action transfers \$441.8 million from the Foreign Currency Fluctuations, Defense (FCF,D) account to the Components' Operation and Maintenance (O&M) and Military Personnel appropriations to offset realized and estimated foreign currency losses resulting from the decline in the market value of the U.S. dollar compared to approved foreign currency execution rates and actual rates for selected foreign currencies.

**REPROGRAMMING INCREASES:** **+441,795**

**Military Personnel, Army, FY 2002** **+86,335**

Budget Activity 1: Pay and Allowances of Officers +25,037  
 Budget Activity 2: Pay and Allowances of Enlisted +61,298

**Military Personnel, Navy, FY 2002** **+32,411**

Budget Activity 1: Pay and Allowances of Officers +7,278  
 Budget Activity 2: Pay and Allowances of Enlisted +25,133

**Military Personnel, Marine Corps, FY 2002** **+7,639**

Budget Activity 1: Pay and Allowances of Officers +3,896  
 Budget Activity 2: Pay and Allowances of Enlisted +3,743

**Military Personnel, Air Force, FY 2002** **+80,735**

Budget Activity 1: Pay and Allowances of Officers +20,474  
 Budget Activity 2: Pay and Allowances of Enlisted +60,261

**Operation and Maintenance, Army, FY 2002** **+135,299**

Budget Activity 1: Operating Forces +31,299  
 Budget Activity 4: Administration and Servicewide Activities +104,000

**Operation and Maintenance, Navy, FY 2002** **+25,697**

Budget Activity 4: Administration and Servicewide Activities +25,697

**Operation and Maintenance, Marine Corps, FY 2002** **+1,153**

Budget Activity 1: Operating Forces +1,153

**Operation and Maintenance, Air Force, FY 2002** **+50,627**

Budget Activity 4: Administration and Servicewide Activities +50,627

Approved (Signature and Date)  **Dov S. Zakheim** MAY 9 2002

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<b>Component Serial Number:</b>		<i>(Amounts in Thousands of Dollars)</i>							
		<b>Program Base Reflecting Congressional Action</b>		<b>Program Previously Approved by Sec Def</b>		<b>Reprogramming Action</b>		<b>Revised Program</b>	
<b>Line Item</b>		<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>
<b>a</b>		<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>	<b>f</b>	<b>g</b>	<b>h</b>	<b>i</b>
<b><u>Operation and Maintenance, Defense-Wide, FY 2002</u></b>						<b>+12,935</b>			
<b>Budget Activity 4: Administration and Servicewide Activities</b>									
National Security Agency						+2,403			
DoD Education Activity						+10,532			
<b><u>Defense Health Program</u></b>						<b>+8,964</b>			
Budget Activity 1: Operation and Maintenance, FY 2002						+8,964			
<b><u>REPROGRAMMING DECREASE:</u></b>						<b>-441,795</b>			
<b><u>Foreign Currency Fluctuations, Defense</u></b>						<b>-441,795</b>			
		970,000		987,837		-441,795		546,042	
<p><b>Explanation:</b> This action is necessary to offset the effect of realized and estimated unfavorable variances between approved foreign currency execution rates and actual rates.</p>									