

Subject: Foreign Currency Fluctuations, Defense		DoD Serial Number: FY 03-24 IR
Appropriation Title: Various Appropriations		
		Includes Transfer? Yes

Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
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 reprogramming action transfers funds in two parts. **Part I** transfers \$499.916 million from the Foreign Currency Fluctuations, Defense (FCF, D) account to the Components' FY 2001, FY 2002 and FY 2003 Operations and Maintenance, Defense Health Program, and Military Personnel appropriations to offset realized 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. **Part II** transfers \$46.628 million of FY 2001 and FY 2002 foreign currency fluctuations gains from the Component's appropriations to the FCF, D appropriation.

PART I

REPROGRAMMING INCREASE **+499,916**

Operations and Maintenance, Army, FY 2001 **+1,062**

Budget Activity 4: Administration and Servicewide Activities **+1,062**

Operations and Maintenance, Marine Corps, FY 2001 **+2,576**

Budget Activity 1: Operating Forces **+2,576**

Operations and Maintenance, Air Force, FY 2001 **+3,966**

Budget Activity 4: Administration and Servicewide Activities **+3,966**

Operations and Maintenance, Defense-Wide, FY 2001 **+1,093**

National Security Agency
 Budget Activity 4: Administration and Servicewide Activities **+1,093**

Operations and Maintenance, Army, FY 2002 **+43,897**

Budget Activity 4: Administration and Servicewide Activities **+43,897**

Operations and Maintenance, Defense-Wide, FY 2002 **+13,171**

Department of Defense Education Activity
 Budget Activity 4: Administration and Servicewide Activities **+7,800**

National Security Agency
 Budget Activity 4: Administration and Servicewide Activities **+5,371**

Approved (Signature and Date)  **Dov S. Zakheim** **MAY 8 2003**

Subject: Foreign Currency Fluctuations, Defense							DoD Serial Number: FY 03-24 IR		
Appropriation Title: Various Appropriations							Includes Transfer? Yes		
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i
<u>Defense Health Program, FY 2002</u>							<u>+2,426</u>		
Budget Activity 1: Operations and Maintenance							+2,426		
<u>Operations and Maintenance, Army, FY 2003</u>							<u>+96,824</u>		
Budget Activity 4: Administration and Servicewide Activities							+96,824		
<u>Operations and Maintenance, Navy, FY 2003</u>							<u>+6,853</u>		
Budget Activity 4: Administration and Servicewide Activities							+6,853		
<u>Operations and Maintenance, Marine Corps, FY 2003</u>							<u>+773</u>		
Budget Activity 1: Operating Forces							+773		
<u>Operations and Maintenance, Air Force, FY 2003</u>							<u>+31,244</u>		
Budget Activity 4: Administration and Servicewide Activities							+31,244		
<u>Operations and Maintenance, Defense-Wide, FY 2003</u>							<u>+5,377</u>		
Department of Defense Education Activity									
Budget Activity 4: Administration and Servicewide Activities							+694		
National Security Agency									
Budget Activity 4: Administration and Servicewide Activities							+4,683		
<u>Defense Health Program, FY 2003</u>									
Budget Activity 1: Operations and Maintenance, FY 2003							<u>+5,613</u>		
<u>Military Personnel, Army, FY 2003</u>							<u>+114,742</u>		
Budget Activity 1: Pay and Allowances of Officers							+38,000		
Budget Activity 2: Pay and Allowances of Enlisted							+76,742		
<u>Military Personnel, Navy, FY 2003</u>							<u>+55,492</u>		
Budget Activity 1: Pay and Allowances of Officers							+14,100		
Budget Activity 2: Pay and Allowances of Enlisted							+41,392		
<u>Military Personnel, Marine Corps, FY 2003</u>							<u>+13,199</u>		
Budget Activity 1: Pay and Allowances of Officers							+2,800		
Budget Activity 2: Pay and Allowances of Enlisted							+10,399		

Subject: Foreign Currency Fluctuations, Defense							DoD Serial Number: FY 03-24 IR		
Appropriation Title: Various Appropriations							Includes Transfer? Yes		
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i
<u>Military Personnel, Air Force, FY 2003</u>							+101,608		
Budget Activity 1: Pay and Allowances of Officers							+25,402		
Budget Activity 2: Pay and Allowances of Enlisted							+76,206		
<u>REPROGRAMMING DECREASE</u>							<u>-499,916</u>		
<u>Foreign Currency Fluctuations, Defense</u>									
		970,000		921,316		-499,916		421,400	
<p><u>Explanation:</u> This action is necessary to offset the effect of realized and estimated unfavorable variances between approved foreign currency execution rates and actual rates for FY 2001, FY 2002, and FY 2003.</p>									
<u>PART II</u>									
<u>REPROGRAMMING DECREASE</u>							<u>-46,628</u>		
<u>Operations and Maintenance, Defense-Wide, FY 2001</u>							<u>-2,623</u>		
Department of Defense Education Activity									
Budget Activity 4: Administration and Servicewide Activities							-2,623		
<u>Defense Health Program, FY 2001</u>							<u>-1,451</u>		
Budget Activity 1: Operations and Maintenance, FY 2001							-1,451		
<u>Military Personnel, Army, FY 2001</u>							<u>-8,206</u>		
Budget Activity 1: Pay and Allowances of Officers							-2,462		
Budget Activity 2: Pay and Allowances of Enlisted							-5,744		
<u>Military Personnel, Navy, FY 2001</u>							<u>-11,353</u>		
Budget Activity 1: Pay and Allowances of Officers							-3,169		
Budget Activity 2: Pay and Allowances of Enlisted							-8,184		
<u>Military Personnel, Marine Corps, FY 2001</u>							<u>-6,252</u>		
Budget Activity 1: Pay and Allowances of Officers							-1,500		
Budget Activity 2: Pay and Allowances of Enlisted							-4,752		
<u>Military Personnel, Air Force, FY 2001</u>							<u>-14,844</u>		
Budget Activity 1: Pay and Allowances of Officers							-3,711		
Budget Activity 2: Pay and Allowances of Enlisted							-11,133		

Subject: Foreign Currency Fluctuations, Defense							DoD Serial Number: FY 03-24 IR	
Appropriation Title: Various Appropriations							Includes Transfer? Yes	
Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i
<u>Military Personnel, Army, FY 2002</u>						-1,437		
Budget Activity 1: Pay and Allowances of Officers						-382		
Budget Activity 2: Pay and Allowances of Enlisted						-1,055		
<u>Military Personnel, Air Force, FY 2002</u>						-462		
Budget Activity 1: Pay and Allowances of Officers						-115		
Budget Activity 2: Pay and Allowances of Enlisted						-347		
<u>REPROGRAMMING INCREASE</u>						+46,628		
Foreign Currency Fluctuations, Defense								
		970,000		421,400		+46,628		468,028
 Explanation: This action transfers FY 2001 and 2002 foreign currency fluctuation gains resulting from strengthening in the value of the U.S. dollar compared to approved foreign currency execution rates.								