

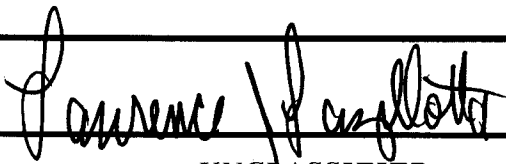
Subject: Foreign Currency Fluctuations, Defense		DoD Serial Number: FY 04-70 IR
Appropriation Title: Various Appropriations		
		Includes Transfer? Yes

Component Serial Number: Line Item	(Amounts in Thousands of Dollars)							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	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 three parts. **Part I** transfers \$358.0 million from the Foreign Currency Fluctuations, Defense (FCF, D) appropriation to various Components' Operation and Maintenance appropriations to offset realized and estimated foreign currency losses resulting from the decline in the market value of the U.S. dollar compared to foreign currency execution rates and actual rates for selected foreign currencies. **Part II** transfers \$939.2 million of fiscal year (FY) 2002 and FY 2003 unobligated balances from various Components' Operation and Maintenance and Military Personnel appropriations to the FCF, D appropriation. **Part III** transfers \$866.2 million from the FCF, D appropriation to various Components' Operation and Maintenance 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 foreign currency budget rates and actual rates for selected foreign currencies.

PART 1

<u>REPROGRAMMING INCREASES:</u>			<u>+357,998</u>	
<u>Operation and Maintenance, Defense-Wide, 02/02</u>			<u>+1,885</u>	
	12,544,564	13,209,950	<u>+1,885</u>	13,211,835
<u>Department of Defense Education Activity</u>				
Budget Activity 4: Administrative and Servicewide Activities			<u>+1,885</u>	
<u>Operation and Maintenance, Army, 02/02</u>			<u>+91,784</u>	
Budget Activity 4: Administrative and Servicewide Activities				
	11,237,905	11,237,905	<u>+91,784</u>	11,329,689
<u>Operation and Maintenance, Defense-Wide, 03/03</u>			<u>+12,660</u>	
	14,342,706	18,332,168	<u>+12,660</u>	18,344,828
<u>Department of Defense Education Activity</u>				
Budget Activity 4: Administrative and Servicewide Activities			<u>+12,660</u>	
<u>Defense Health Program, 03/03</u>			<u>+11,776</u>	
Budget Activity 1: Operation and Maintenance				
	13,882,947	15,340,055	<u>+11,776</u>	15,351,831

Approved (Signature and Date)  JUN 16 2004

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	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>Operation and Maintenance, Army, 04/04</u>					<u>+235,604</u>			
<u>Budget Activity 4: Administrative and Servicewide Activities</u>								
		3,884,171		3,884,171		+235,604		4,119,775
<u>Operation and Maintenance, Marine Corps, 04/04</u>					<u>+4,289</u>			
<u>Budget Activity 1: Operating Forces</u>								
		2,219,260		2,219,260		+4,289		2,223,549
<u>REPROGRAMMING DECREASE:</u>					<u>-357,998</u>			
<u>Foreign Currency Fluctuations, Defense</u>								
		970,000		367,480		-357,998		9,482

Explanation: This part of the reprogramming transfers FCF, D resources to the Components' Centrally Managed Allotment accounts to offset the effects of realized and projected unfavorable variances between approved foreign currency execution rates and actual rates for FY 2002, FY 2003, and a portion of FY 2004.

PART II

<u>REPROGRAMMING INCREASE:</u>					<u>+939,211</u>			
<u>Foreign Currency Fluctuations, Defense</u>								
		970,000		9,482		+939,211		948,693
<u>PRIOR YEARS REPROGRAMMING DECREASES:</u>					<u>-939,211</u>			
(FY 2002 Unobligated Balances)					(-783,197)			
(FY 2003 Unobligated Balances)					(-156,014)			
<u>Operation and Maintenance, Navy, 02/02</u>					<u>-8,600</u>			
		26,714,451		26,714,451		-8,600		26,705,851
<u>Operation and Maintenance, Air Force, 02/02</u>					<u>-25,000</u>			
		25,580,990		25,580,990		-25,000		25,555,990

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Appropriation Title: Various Appropriations							FY 04-70 IR		
							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>Operation and Maintenance, Defense-Wide, 02/02</u>							<u>-23,847</u>		
		12,544,564		13,209,950		-23,847		13,186,103	
Civil Military Program						-667			
Defense Acquisition University						-200			
Defense Contract Audit Agency						-2,000			
Defense Contract Management Agency						-3,038			
Defense Intelligence Agency						-1,500			
Defense Logistics Agency						-2,599			
Defense Prisoner of War/Missing Persons Office						-80			
Defense Security Cooperation Agency						-261			
National Security Agency						-5,000			
Office of Economic Adjustment						-900			
Office of the Secretary of Defense						-1,200			
The Joint Staff						-309			
U.S. Special Operations Command						-5,493			
Washington Headquarters Services						-600			
<u>U.S. Court of Military Appeals, 02/02</u>							<u>-100</u>		
<u>Budget Activity 4: Administrative and Servicewide Activities</u>									
		9,560		9,560		-100		9,460	
<u>Defense Health Program, 02/02</u>							<u>-225,000</u>		
<u>Budget Activity 1: Operation and Maintenance</u>									
		17,674,420		16,549,662		-225,000		16,324,662	
<u>Operation and Maintenance, Army Reserve, 02/02</u>							<u>-11,000</u>		
		1,766,672		1,766,672		-11,000		1,755,672	
<u>Operation and Maintenance, Navy Reserve, 02/02</u>							<u>-6,300</u>		
		1,018,643		1,018,643		-6,300		1,012,343	
<u>Operation and Maintenance, Marine Corps Reserve, 02/02</u>							<u>-3,000</u>		
		139,881		139,881		-3,000		136,881	
<u>Operation and Maintenance, Air National Guard, 02/02</u>							<u>-15,300</u>		
		3,951,117		3,951,117		-15,300		3,935,817	

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		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>Operation and Maintenance, Air Force Reserve, 02/02</u>							<u>-17,000</u>		
		2,005,967		2,005,967		-17,000		1,988,967	
<u>National Guard Personnel, Air Force, 02/02</u>							<u>-54,000</u>		
		1,774,651		1,774,651		-54,000		1,720,651	
<u>Military Personnel, Navy, 02/02</u>							<u>-75,000</u>		
		20,292,639		20,292,639		-75,000		20,217,639	
<u>Military Personnel, Air Force, 02/02</u>							<u>-271,000</u>		
		22,079,588		22,079,588		-271,000		21,808,588	
<u>Reserve Personnel, Army, 02/02</u>							<u>-14,000</u>		
		2,683,361		2,683,361		-14,000		2,669,361	
<u>Reserve Personnel, Navy, 02/02</u>							<u>-13,050</u>		
		1,671,459		1,671,459		-13,050		1,658,409	
<u>Reserve Personnel, Air Force, 02/02</u>							<u>-21,000</u>		
		1,004,044		1,004,044		-21,000		983,044	
<u>Operation and Maintenance, Defense-Wide, 03/03</u>							<u>-12,114</u>		
		14,342,706		18,332,168		-12,114		18,320,054	
Civil Military Program							-441		
Defense Acquisition University							-75		
Defense Contract Management Agency							-2,785		
Defense Intelligence Agency							-6,000		
Defense Prisoner of War/Missing Persons Office							-60		
Defense Security Cooperation Agency							-319		
National Geospatial-Intelligence Agency							-1,000		
Office of the Secretary of Defense							-1,200		
The Joint Staff							-170		
Washington Headquarters Services							-64		
<u>U.S. Court of Military Appeals, 03/03</u>							<u>-150</u>		
Budget Activity 4: Administrative and Servicewide Activities									
		9,560		9,560		-150		9,410	

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	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>Operation and Maintenance, Army Reserve, 03/03</u>					<u>-4,000</u>			
	2,127,035		2,127,035		<u>-4,000</u>		2,123,035	
<u>Operation and Maintenance, Navy Reserve, 03/03</u>					<u>-3,600</u>			
	1,244,216		1,244,216		<u>-3,600</u>		1,240,616	
<u>Operation and Maintenance, Air Force Reserve, 03/03</u>					<u>-7,000</u>			
	2,151,820		2,151,820		<u>-7,000</u>		2,144,820	
<u>Operation and Maintenance, Air National Guard, 03/03</u>					<u>-7,300</u>			
	4,290,653		4,290,653		<u>-7,300</u>		4,283,353	
<u>National Guard Personnel, Air Force, 03/03</u>					<u>-33,000</u>			
	2,041,356		2,041,356		<u>-33,000</u>		2,008,356	
<u>Military Personnel, Marine Corps, 03/03</u>					<u>-22,000</u>			
	9,988,490		9,988,490		<u>-22,000</u>		9,966,490	
<u>Reserve Personnel, Army, 03/03</u>					<u>-17,000</u>			
	3,209,760		3,209,760		<u>-17,000</u>		3,192,760	
<u>Reserve Personnel, Navy, 03/03</u>					<u>-17,850</u>			
	1,921,442		1,921,442		<u>-17,850</u>		1,903,592	
<u>Reserve Personnel, Marine Corps, 03/03</u>					<u>-5,000</u>			
	514,019		514,019		<u>-5,000</u>		509,019	
<u>Reserve Personnel, Air Force, 03/03</u>					<u>-27,000</u>			
	1,184,293		1,184,293		<u>-27,000</u>		1,157,293	

Explanation: This part of the reprogramming transfers prior year expired unobligated balances for FY 2002 and FY 2003 to the FCF, D appropriation from various Operation and Maintenance and Military Personnel appropriations.

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	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Line Item	a	b	c	d	e	f	g	h	i

PART III

<u>FY 2004 REPROGRAMMING INCREASES:</u>						<u>+866,249</u>			
<u>Operation and Maintenance, Navy, 04/04</u>						<u>+46,413</u>			
<u>Budget Activity 4: Administrative and Servicewide Activities</u>									
		3,555,734		3,555,734		+46,413		3,602,147	
<u>Operation and Maintenance, Air Force, 04/04</u>						<u>+76,206</u>			
<u>Budget Activity 4: Administrative and Servicewide Activities</u>									
		4,012,412		4,012,412		+76,206		4,088,618	
<u>Operation and Maintenance, Defense-Wide, 04/04</u>						<u>+32,002</u>			
		16,058,737		20,367,886		+32,002		20,399,888	
<u>Department of Defense Education Activity</u>									
<u>Budget Activity 4: Administrative and Servicewide Activities</u>									
<u>National Security Agency</u>									
<u>Budget Activity 4: Administrative and Servicewide Activities</u>									
<u>Defense Health Program, 04/04</u>						<u>+18,434</u>			
<u>Budget Activity 1: Operation and Maintenance</u>									
		14,914,816		14,914,816		+18,434		14,933,250	
<u>Military Personnel, Army, 04/04</u>						<u>+282,255</u>			
<u>Budget Activity 1: Pay and Allowances of Officers</u>									
		4,536,700		4,536,700		+79,722		4,616,422	
<u>Budget Activity 2: Pay and Allowances of Enlisted</u>									
		13,748,079		13,748,079		+202,533		13,950,612	
<u>Military Personnel, Navy, 04/04</u>						<u>+141,616</u>			
<u>Budget Activity 1: Pay and Allowances of Officers</u>									
		2,923,895		2,923,895		+31,465		2,955,360	
<u>Budget Activity 2: Pay and Allowances of Enlisted</u>									
		8,273,116		8,273,116		+110,151		8,383,267	

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Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

<u>Military Personnel, Marine Corps, 04/04</u>						+30,396		
Budget Activity 1: Pay and Allowances of Officers								
	996,797		996,797			+7,701		1,004,498
Budget Activity 2: Pay and Allowances of Enlisted								
	3,350,449		3,350,449			+22,695		3,373,144
<u>Military Personnel, Air Force, 04/04</u>						+238,927		
Budget Activity 1: Pay and Allowances of Officers								
	4,122,722		4,122,722			+49,673		4,172,395
Budget Activity 2: Pay and Allowances of Enlisted								
	8,033,648		8,033,648			+189,254		8,222,902
<u>FY 2004 REPROGRAMMING DECREASE:</u>						-866,249		
<u>Foreign Currency Fluctuations, Defense</u>								
	970,000		948,693			-866,249		82,444

Explanation: This part of the reprogramming transfers FCF, D resources to the Components' Centrally Managed Allotment accounts to offset the effect of projected unfavorable variances between approved foreign currency execution rates and actual rates for FY 2004.