

Subject: Foreign Currency Fluctuations, Defense Appropriation Title: Various Appropriations	DoD Serial Number: FY 04-75 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

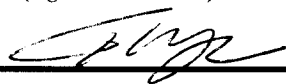
Pursuant to the authority provided by Public Law 95-457, 92 Stat. 1236, and section 2779 of Title 10 of the United States Code, this reprogramming action transfers funds in three parts. **Part I** transfers \$34.518 million from the Foreign Currency Fluctuations, Defense (FCF,D) appropriation to the Defense Health Program (DHP), 02/02, appropriation to correct an administrative error. The DHP appropriation did not have the total amount of funds available for a return of unobligated balances as stated in FY 04-70 IR, Foreign Currency Fluctuations, Defense, dated June 16, 2004. **Part II** transfers \$92 million of fiscal year (FY) 2003 unobligated balances from the Components' Operation and Maintenance and Military Personnel appropriations to the FCF,D appropriation. **Part III** transfers \$70 million from the FCF,D appropriation to the U.S. Army Operation and Maintenance appropriation 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 INCREASE:</u>				<u>+34,518</u>
<u>Defense Health Program, 02/02</u>				<u>+34,518</u>
<u>Budget Activity 1: Operation and Maintenance</u>				
	17,526,585		16,060,830	<u>+34,518</u>
				16,095,348
<u>REPROGRAMMING DECREASE:</u>				<u>-34,518</u>
<u>Foreign Currency Fluctuations, Defense</u>				
	970,000		82,444	<u>-34,518</u>
				47,926

Explanation: This reprogramming transfers FCF,D resources to the Defense Health Program appropriation to correct an overstatement of unobligated balances that were transferred to the FCF,D appropriation in FY 04-70 IR, FCF, Defense, dated June 16, 2004.

Approved (Signature and Date)



JUL 30 2004

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PART II

<u>REPROGRAMMING INCREASE:</u>					<u>+92,000</u>			
<u>Foreign Currency Fluctuations, Defense</u>								
	970,000		47,926		+92,000		139,926	
<u>PRIOR YEARS REPROGRAMMING DECREASES:</u>					<u>-92,000</u>			
<u>(FY 2003 Unobligated Balances)</u>					<u>(-92,000)</u>			
<u>Operation and Maintenance, Defense-Wide, 03/03</u>								
	14,342,706		18,325,542		<u>-2,000</u>		18,323,542	
Counterintelligence Field Activity	-		-		<u>-2,000</u>			
<u>Military Personnel, Air Force, 03/03</u>					<u>-90,000</u>			
	21,952,277		21,952,277		<u>-90,000</u>		21,862,277	

Explanation: This reprogramming transfers prior year expired unobligated balances from FY 2003 to the FCF,D appropriation from the Operation and Maintenance, Defense-Wide and Military Personnel, Air Force appropriations.

PART III

<u>FY 2004 REPROGRAMMING INCREASE:</u>					<u>+70,000</u>			
<u>Operation and Maintenance, Army, 03/03</u>					<u>+70,000</u>			
<u>Budget Activity 1: Operating Forces</u>								
	12,905,865		12,219,201		+70,000		12,289,201	
<u>FY 2004 REPROGRAMMING DECREASE:</u>					<u>-70,000</u>			
<u>Foreign Currency Fluctuations, Defense</u>								
	970,000		139,926		<u>-70,000</u>		69,926	

Explanation: This reprogramming transfers FCF,D resources to Operation and Maintenance, Army Centrally Managed Allotment account to offset the effect of projected unfavorable variances between approved foreign currency execution rates and actual rates for FY 2003.