

Subject: Foreign Currency Fluctuations, Defense (FCF,D)		DoD Serial Number: FY 06-10 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
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** realigns previously transferred FCF,D funds within the Operation and Maintenance, Navy, 06/06, appropriation and Operation and Maintenance, Air Force, 06/06, appropriation to the correct budget activity for proper execution. The funds were initially distributed in FY 06-07 IR, Foreign Currency Fluctuations, Defense, dated November 15, 2005. **Part II** transfers \$39.9 million from the Components' FY 2005 Operation and Maintenance appropriations to the Foreign Currency Fluctuations, Defense appropriation in accordance with a revised estimate of foreign currency fluctuation losses for these accounts for FY 2005.

Part I

Operation and Maintenance, Navy, 06/06

<u>Budget Activity 4: Administration and Servicewide Activities</u>	-		-	
-	-	+10,631	-	
<u>Budget Activity 1: Operating Forces</u>				
-	10,631	-10,631	-	

Operation and Maintenance, Air Force, 06/06

<u>Budget Activity 4: Administration and Servicewide Activities</u>	-		-	
-	-	+31,956	-	
<u>Budget Activity 1: Operating Forces</u>				
-	31,956	-31,956	-	

Explanation: This action corrects an error made in a previous transfer for foreign currency fluctuations for funds that were placed in the wrong budget activity. The purpose for the transfer remains the same. The transfer provides FCF,D resources to the Navy and Air Force Centrally Managed Allotment accounts to offset the effects of realized and projected unfavorable variances between approved foreign currency rates and actual rates for FY 2006.

Approved (Signature and Date)



JAN 18 2006

Subject: Foreign Currency Fluctuations, Defense Appropriation Title: Various Appropriations	DoD Serial Number: FY 06-10 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

Part II

<u>REPROGRAMMING INCREASE:</u>				<u>+39,895</u>				
<u>Foreign Currency Fluctuations, Defense</u>								
	970,000		193,583		+39,895		233,478	
<u>REPROGRAMMING DECREASES:</u>				<u>-39,895</u>				
<u>Operation and Maintenance, Navy, 05/05</u>								
	4,837,608		5,233,706		-14,354		5,219,352	
<u>Operation and Maintenance, Marine Corps, 05/05</u>								
	4,661,817		4,687,669		-1,837		4,685,832	
<u>Operation and Maintenance, Defense-Wide, 05/05</u>								
	17,494,076		18,902,928		-17,310		18,885,618	
<u>Department of Defense Education Activity, 05/05</u>								
					-17,310			
<u>Defense Health Program, 05/05</u>								
	17,287,919		18,690,799		-6,394		18,684,405	

Explanation: This part of the reprogramming transfers a portion of FCF,D funds previously provided to the Components' Operation and Maintenance accounts to the FCF,D appropriation to implement a revised estimate of foreign currency fluctuation losses for these accounts for FY 2005. The revised estimate was calculated based on an improvement in the European Community exchange rate that has occurred since the time the original estimate was prepared.