



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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WASHINGTON, DC 20301-1 100

August 16, 2023

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARIES OF THE MILITARY
DEPARTMENTS (FINANCIAL OPERATIONS)
DEFENSE AGENCY AND DOD FIELD ACTIVITY CHIEF
FINANCIAL EXECUTIVES

SUBJECT: Yearend Cutoff for Cancelling Year Appropriations (FPM23-04)

References: (a) DoD 7000.14-R, Department of Defense Financial Management Regulation (DoD FMR), Volume 3, Chapter 10, "Accounting Requirements for Expired and Closed Accounts," July 2022
(b) DoD FMR, Volume 5, Chapter 11, "Electronic Commerce and Deposit of Public Funds," August 2022

Beginning fiscal year 2023, all cancelling year transactions (i.e., transactions that will be paid from an appropriation that is cancelling at the end of the current fiscal year) must be submitted to the Defense Finance and Accounting Service no later than September 15 each year (or the business day prior when September 15 occurs on a weekend).

This policy change supports reference (a), which addresses the requirement under 31 U.S.C. 1552(a) that on September 30 of the fifth fiscal year after the period of availability for obligation of a fixed appropriation account ends, such account be canceled and thereafter shall not be available for obligation or expenditure for any purpose. It also changes the requirement in reference (b) for submission from five business days prior to the end of the fiscal year to September 15 (or the business day prior when September 15 occurs on a weekend) for cancelling year appropriations.

This requirement will be incorporated into the next update of DoD FMR, Volume 3, Chapter 10, and Volume 5, Chapter 11. My staff point of contact is Mr. Anthony (Tony) Wisdom (anthony.a.wisdom.civ@mail.mil).

Thomas C. Steffens
Deputy Chief Financial Officer

USC000504-23