



COMPTROLLER OF THE DEPARTMENT OF DEFENSE

WASHINGTON, DC 20301-1100

MAR 18 1993

FOREWORD

This Volume of the Department of Defense Financial Management Regulation is issued under the authority of DoD Instruction 7000.14, "DoD Financial Management Policy and Procedures." It governs financial management by establishing and enforcing requirements, principles, standards, systems, procedures, and practices necessary to comply with financial management statutory and regulatory requirements applicable to the Department of Defense. It directs financial management requirements, systems, and functions for all appropriated, nonappropriated, working capital, revolving, and trust fund activities. In addition, it directs statutory and regulatory financial reporting requirements.

This Volume incorporates material previously issued under DoD 7290.3-M, "Foreign Military Sales Finance and Accounting Manual," September 18, 1986, authorized by DoD Instruction 7290.3, "Foreign Military Sales Finance and Accounting," May 8, 1991, which are both hereby canceled. This Volume establishes procedures for security assistance activities involving management, fiscal matters, accounting, pricing, budgeting for reimbursements to DoD appropriation accounts, and revolving funds, auditing, international balance of payments, and matters affecting the DoD budget, consistent with DoD Directive 5132.3, "DoD Policy and Responsibilities Relating to Security Assistance," March 10, 1981.

This Volume of the Regulation applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Unified and Specified Commands, the Inspector General of the DoD, the Defense Agencies, and the DoD Field Activities (hereafter referred to collectively as "DoD Components").

This Volume of the Regulation is effective immediately and is mandatory for use by all DoD Components. Heads of DoD Components shall ensure that it is adhered to in day-to-day operations and in the design, modification, and maintenance of their Component's financial management and reporting system or systems. The Heads of DoD Components shall not issue supplementary directives/regulations without the prior written approval of the Office of the Comptroller of the Department of Defense.

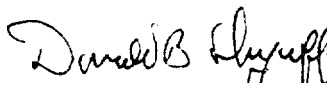
The reporting requirements contained in this regulation are exempt from licensing in accordance with paragraph E.4.f., of DoD 7750.5-M, "Procedures for Management of Information Requirements."

Verbal inquiries regarding Chapter 7 should be directed to the Director, Accounting Policy, Office of the DoD Comptroller, (703) 697-0585 or DSN 227-0585. Questions regarding all other Chapters may be directed to the Deputy Director for Accounting, Defense Finance and Accounting Service, (703) 607-1339 or DSN 327-1339

Written questions or recommendations for changes to this Volume of the Regulation, as well as requests for deviations from or exceptions to specific standards, along with justification, should be forwarded, through channels, to the address below:

Office of the Comptroller of the Department of Defense
Room 3E822
The Pentagon
Washington, DC 20301-1100

DoD Components will be provided copies of this Volume of the Regulation through normal publication channels. Other Federal Agencies and the public may obtain copies of this Volume from the Defense Institute of Security Assistance Management (DISAM/DRP), Wright-Patterson Air Force Base, Ohio 45433-5000 (DSN 785-2994).


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Acting Comptroller