Subject: Foreign Currency Fluctuations, Defense

Appropriation Title: Various Appropriations

DoD Serial Number: FY 04-05 IR

Includes Transfer? Yes

Component Serial Number:

(Amounts in Thousands of Dollars)

Line Item	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 two parts. **Part I** transfers $411.9 million of FY 2003 and FY 2002 unobligated balances from the Component's Operation and Maintenance and Military Personnel appropriations to the Foreign Currency Fluctuations, Defense (FCF,D) appropriation. **Part II** transfers $366.8 million from the FCF,D appropriation to the Components' FY 2004 Operation and Maintenance and Military Personnel appropriations to offset projected foreign currency losses resulting from the decline in the market value of the U.S. dollar compared to approved foreign currency execution rates and actual rates for selected foreign currencies.

PART I

REPROGRAMMING INCREASE:			**+411,882**	
Foreign Currency Fluctuations, Defense	970,000	322,432	**+411,882**	734,314
PRIOR YEARS REPROGRAMMING DECREASES:			**-411,882**	
(FY 2002 Unobligated Balances)			**(-341,882)**	
(FY 2003 Unobligated Balances)			**(-70,000)**	
Reserve Personnel, Army, 02/02			**-1,500**	
Reserve Personnel, Navy, 02/02			**-15,000**	
Operation and Maintenance, Army Reserve, 02/02			**-5,689**	
Operation and Maintenance, Navy Reserve, 02/02			**-4,000**	
Operation and Maintenance, Army National Guard, 02/02			**-12,000**	
Operation and Maintenance, Navy, 02/02			**-25,000**	
Operation and Maintenance, Air Force, 02/02			**-10,000**	
Military Personnel, Air Force, 02/02			**-150,000**	

Dov S. Zakheim OCT 30 2003

Subject: Foreign Currency Fluctuations, Defense	DoD Serial Number: FY 04-05 IR
Appropriation Title: Various Appropriations	Includes Transfer? Yes

Component Serial Number:	*(Amounts in Thousands of Dollars)*							
	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

Defense Health Program, 02/02 **-118,693**
Budget Activity 1: Operation and Maintenance **-118,693**

Reserve Personnel, Army, 03/03 **-70,000**

Explanation: This part of the action transfers prior year expired unobligated balances for FY 2002 and FY 2003 to the Foreign Currency Fluctuations, Defense, appropriation from various Operation and Maintenance and Military Personnel appropriations.

PART II

FY 2004 REPROGRAMMING INCREASES: **+366,834**
(Centrally Managed Allotment)

Operation and Maintenance, Army, 04/04 **+187,890**
Budget Activity 4: Administrative and Servicewide Activities **+187,890**

Operation and Maintenance, Navy, 04/04 **+34,384**
Budget Activity 4: Administrative and Servicewide Activities **+34,384**

Operation and Maintenance, Marine Corps, 04/04 **+3,118**
Budget Activity 4: Administrative and Servicewide Activities **+3,118**

Operation and Maintenance, Air Force, 04/04 **+41,854**
Budget Activity 4: Administrative and Servicewide Activities **+41,854**

Operation and Maintenance, Defense-Wide, 04/04 **+15,540**
Department of Defense Education Activity **+13,434**
National Security Agency **+2,106**

Defense Health Program, 04/04 **+9,165**
Budget Activity 1: Operation and Maintenance **+9,165**

Military Personnel, Army, 04/04 **+21,127**
Budget Activity 1: Pay and Allowances of Officers **+6,127**
Budget Activity 2: Pay and Allowances of Enlisted **+15,000**

Subject: Foreign Currency Fluctuations, Defense

Appropriation Title: Various Appropriations

DoD Serial Number: FY 04-05 IR

Includes Transfer? Yes

Component Serial Number:

(Amounts in Thousands of Dollars)

Line Item	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
Military Personnel, Navy, 04/04						**+16,862**		
Budget Activity 1: Pay and Allowances of Officers						**+6,914**		
Budget Activity 2: Pay and Allowances of Enlisted						**+9,948**		
Military Personnel, Marine Corps, 04/04						**+5,431**		
Budget Activity 1: Pay and Allowances of Officers						**+1,631**		
Budget Activity 2: Pay and Allowances of Enlisted						**+3,800**		
Military Personnel, Air Force, 04/04						**+31,463**		
Budget Activity 1: Pay and Allowances of Officers						**+7,283**		
Budget Activity 2: Pay and Allowances of Enlisted						**+24,180**		
FY 2004 REPROGRAMMING DECREASE:						**-366,834**		
Foreign Currency Fluctuations, Defense								
	970,000		734,314			**-366,834**		367,480

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