

★ APPENDIX C ★

DFAS-DENVER CENTER FOREIGN CURRENCY REPORTSA. Foreign Currency Projected Disbursements - Military Construction Report for Air Force Funds

1. Frequency and Due Date. Refer to subparagraph B.1, below.
2. Distribution. Refer to subparagraph B.2, below.
3. Report Preparation Instructions. Refer to subparagraph B.3, below.
4. Format. A sample format of the FCF,C,D Report is illustrated in Figure 7C-1 of this Appendix.

B. Foreign Currency Fluctuations (FCF) Report

1. Frequency and Due Date. The FCF,D Report shall be submitted to reach the funding operating agency by the close of business on the fifth workday of the month after the close of the reporting period.

2. Distribution. The FCF,D Report shall be submitted to the funding Air Force operating agency or to the DFAS-Denver Center (DFAS-DE/ADR) as applicable. The DFAS-DE/ADR consolidates Air Force data and submits a report to the DFAS-IN/RBBC.

a. The Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) requires an FCF,D Report for the FCF,D appropriation and an FCF,C,D Report for the FCF,C,D appropriation. DFAS-DE reporting activities shall submit only a FCF,D Report to DFAS-DE/AD. The report contains FCF,D and FCF,C,D information.

b. The DFAS-DE prepares a departmental FCF,D Report and a departmental FCF,C,D Report from the information received on the network FCF,D Report.

3. Report Preparation Instructions. Report preparation instructions differ depending on whether the data refer to FCF,D or FCF,C,D. Refer to subparagraphs B.3.e and B.3.f, respectively, for the specific report requirements.

a. Unliquidated Obligations. Report unliquidated foreign currency fluctuations obligations in the FCF,D Report at budget rates. Do not include zero-filled lines for those currencies and fund codes with no activity. Record amounts to the nearest U.S. dollar. See DFAS-DE 7077.2-M (formerly AFM 177-370, section 29) for procedures on retrieving unliquidated obligations (ULOs) from the accounting system for this report.

b. A footnote shall be included in the report to identify the total dollar amounts billed to Defense Health Program (DHP) for civilian salaries during that month.

c. Responsible Processing Center. Funds Control and Financial Reports Branch (OPLOC/ARF) or Accounts Control SMA (DAO/ACA).

d. Realized variances, i.e., gains or losses in the applicable CMA account, automatically are reported to DFAS-DE via the HAF-ACF(M)7113 Report. The DFAS-DE uses a formula containing the ULO information reported on the FCF,D Report and the realized variances reported to compute the information needed for the departmental reports.

e. Accounting Procedures, Foreign Currency Fluctuations, Defense (FCF,D)

(1) The following Air Force appropriations use a FCF,D CMA account to charge losses or credit gains from fluctuations in designated foreign currencies:

Operation and Maintenance, Air Force	57*3400
Defense Health Program, Operation and Maintenance, Air Force	97*0130.1883
Military Personnel Appropriation (MPA), Air Force	57*3500
(MPA gains or losses are applied at department level only)	

(2) Air Force O&M. Air Force O&M, 57*3400, uses a FCF,D CMA account to charge losses or credit gains from fluctuations in designated foreign currencies.

(a) Use the appropriate budget rates in Figure 7C-2 for the basic Air Force O&M appropriation when an obligation is created.

(b) When making payment, cite the following CMA accounting classification on vouchers supporting the charge for a loss or a credit for a gain:

<u>Appropriation</u>	<u>FC/FY/OAC</u>	<u>RC/CC</u>	<u>ADSN</u>
57*3400	30*34	CC0000	380003

(i) The asterisk denotes the fiscal year (FY) and should be the current year or an expired year for the FCF,D CMA account. The FY for a charge or credit to the FCF,D CMA account should be the same year as the FY in the Air Force O&M obligation being liquidated. (Caution: FCF,C,D is treated in a different manner.)

(ii) CC = the applicable country code shown in Figure 7C-3.

(iii) Use International Balance of Payments (IBP) country and category codes as applicable for IBP reporting.

(3) Defense Health Program, Operation and Maintenance, Air Force. DHP O&M uses a FCF,D CMA account to charge losses or credit gains from fluctuations in designated foreign currencies.

(a) Use the appropriate budget rates in Figure 7C-2 for the basic DHP Air Force allocation when an obligation is created.

(b) When making payment, cite the following CMA accounting classifications on vouchers supporting the charge for a loss or a credit for a gain:

<u>Appropriation</u>	<u>FC/FY/OAC</u>	<u>RCCC</u>	<u>ADSN</u>
97*0130.1883	2X*43	CC2X00	503700

(i) The asterisk denotes the FY and should be the current year or an expired year for the DHP FCF,D CMA account. The FY for a charge or credit to the DHP FCF,D DMA account should be the same year as the FY in the DHP O&M obligation being liquidated.

(ii) CC = the applicable country code shown in Figure 7C-3.

(iii) Use IBP country and category codes as applicable for IBP reporting.

(4) Other Components FCF,D. Use the appropriate budget rates in Figure 7C-2 when making cross-disbursed payments.

(a) Army

(i) The following CMA accounting classification shall be used for Army O&M. The XX in the CMA accounting classification relates to the type of foreign currency. Instead of XX, use the appropriate for-others code in Figure 7C-3:

21*2020	22-69XX	P4310222	2579	VCRF 99999
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(ii) Cite the following Army CMA for the Defense Health Program, Army:

97*0130.1881 74 99XX 847714.97 0 25CC HSSH 099999 32A "COUNTRY"

* = current year or applicable expired year.

XX = country code from Figure 7C-3.

On payment vouchers, show the foreign currency amount to be paid at the current rate and the resulting dollar value as the charge to the appropriation. Separately, compute what the charge to the appropriation would have been had the budget rate been used. On a separate line on the voucher, annotate the dollar difference between the actual charge at the current rate and what the charge would have been had the budget rate been used to value the charge to the appropriation. Annotate the dollar difference as a gain or a loss and annotate the country code representing the foreign currency being paid.

(b) Navy

O&M: (i) O&M, Navy. Cite the following Navy CMA for

17*1804.68CO 000 00068 0 068892 2D CC0000

* = current year or applicable expired year.

CC = applicable country code.

The subhead, 68CO, should reflect an “alpha” O. The object class field after the subhead should be the same as the source document.

Navy CMA for the DHP: (ii) DHP, Navy (97*0130.1882). Cite the following

97*0130.1882 000 00018 0 060956 2d XXXXXX XXXXXXXXXXXXX

* = current year or applicable expired year.

XXXXXX = 6-digit property accounting activity code that should be on the obligating document.

XXXXXXXXXXXX = 12-digit code that should be on the obligating document. The cost code contains the country identification.

(c) DFAS–Columbus Center (DFAS-CO)

(i) The Defense Contract Management Agency O&M (97*0100.5107) is subject to the designated foreign currency fluctuations procedures.

(ii) The CMA accounting classification is 97*0100.51XX with the XX relating to the type of foreign currency. Instead of XX, use the appropriate cross disbursement code in Figure 7C-3.

(iii) Designated foreign currency fluctuations payments citing DFAS-CO O&M funds should be processed as for-others transactions and not as CMA transactions. Use the Accounting and Disbursing Station Number (ADSN) as in the basic accounting classification and process using Merged Accountability and Fund Reports (MAFR) code C.

(d) DoD Dependent Schools (DoDDS)

(i) The CMA accounting classification for DoDDS O&M is 97*0100.60XX. Instead of XX, use the appropriate cross disbursement code in Figure 7C-3.

(ii) Process the CMA charges or credits for DoDDS using CMA procedures and pseudo ADSN 666666, Operating Agency Code (OAC) 06, Allotment Serial Number (ASN) 66. The pseudo ADSN should be shown on the voucher only. Do not include this pseudo ADSN in the mechanized input.

(e) National Security Agency (NSA). The NSA O&M CMA account is 97*0100.45XX. Substitute the two-digit alpha country code in Figure 7C-3 for the XX. Use the same ADSN as in the basic accounting classification.

f. Accounting Procedures, Foreign Currency Fluctuations, Construction, Defense (FCF,C,D)

(1) Use the appropriate budget rates in Figure 7C-2 for the basic appropriation shown in subparagraph B.3.f.(2), when an obligation is created.

(2) The following Air Force appropriations use a FCF,C,D CMA account to charge losses or credit gains from fluctuations in designated foreign currencies:

Military Construction	57*3300
Military Family Housing Construction	57*7040
Military Family Housing O&M	57*7045

(3) When making payment, cite the following CMA accounting classifications on vouchers supporting the credit for a gain or the charge for a loss:

(a) To record a credit (gain):

<u>Appropriation</u>	<u>FC/FY/OAC</u>	<u>Project</u>	<u>BAAN</u>	<u>ADSN</u>
57*3300	25*34	378	CCO	380003
57*7040	89*34	716	CCO	380003
57*7045	83*34		CC8	380003

(b) To record a charge (loss):

<u>Appropriation</u>	<u>FC/FY/OAC</u>	<u>Project</u>	<u>BAAN</u>	<u>ADSN</u>
57*3300	25*34	379	CCO	380003
57*7040	89*34	717	CCO	380003
57*7045	83*34		CC9	380003

(c) The asterisk denotes the fiscal year. Current year only is used for the FCF,C,D CMA accounts, regardless of the fiscal year shown in the basic appropriation being liquidated. (Caution: FCF,D is treated in a different manner.)

(d) CC = the applicable country code shown in Figure 7C-3.

(e) Use IBP country and category codes applicable for IBP reporting.

4. Format. Submit by message. See Figure 7C-1 for sample format.

5. Background. Payments in foreign currency fluctuations for Air Force obligations result in gains or losses because of the fluctuation of the value of the U.S. dollar in relation to those currencies. As a result, special foreign currency fluctuations accounts and procedures have been set up to ease the adverse effect of some of these currency fluctuations.

a. DoD foreign currency fluctuations programs were directed by the Congress based on General Accounting Office recommendations. The OUSD(C) transfers specific funds directly to Air Force appropriations covered by these programs.

b. The transferred funds are used by SAF/FMB or HQ USAF/SGMC to fund foreign currency fluctuations CMA accounts for:

(1) Foreign Currency Fluctuations, Defense (FCF,D). O&M, Air Force; O&M, Defense Health Program, Air Force; and the Military Personnel Appropriation, Air Force appropriations.

(2) Foreign Currency Fluctuations, Construction, Defense (FCF,C,D). Family Housing O&M, Air Force; Family Housing Construction, Air Force; and Military Construction, Air Force.

c. The foreign currency fluctuations CMA accounts are used to charge losses or credit gains resulting from the liquidation of obligations at specified budget rates in the basic appropriation and the amount actually disbursed at the current rate of exchange. The use of budget rates in a basic appropriation to value obligations allows an obligation to remain constant for the life of the appropriation. All fluctuations of the currency from the applicable budget rate are absorbed by the CMA. A basic appropriation is defined as an appropriation which uses budget rates.

d. The SAF/FMB, OAC 34, manages the foreign currency fluctuations CMA accounts for the Air Force appropriations under FCF,D and FCF,C,D programs. HQ USAF/SGMC, OAC 43, manages the foreign currency fluctuations CMA account for the DHP allocations.

e. Centralized accounting and reporting is accomplished by DFAS-DE/AD.

6. Foreign Currency Fluctuations Obligations Criteria

a. Foreign currency fluctuations obligations shall meet the following criteria.

(1) If payable in a foreign currency, be a direct obligation in a basic appropriation:

(a) Subject to foreign currency fluctuations. See FCF,D and FCF,C,D in subparagraph B.5.b, above.

(b) That is payable in the designated foreign currencies under the FCF,D and FCF,C,D programs. See Figure 7C-3 for these designated currencies.

(2) If payable in U.S. dollars, be a direct obligation in a basic appropriation:

(a) Subject to foreign currency fluctuations.

(b) Payable in U.S. dollars when the value of a contract is based entirely, or in part, on a designated foreign currency exchange rate. The U.S. dollar value of the contract changes depending on the current foreign currency exchange rate on the date of payment.

(c) Payable in U.S. dollars similar to that in subparagraph B.6.a.(2)(b), above, and the contractor is authorized to purchase foreign currency at a current exchange rate with subsequent reimbursement or billing for conversion gains or losses.

(d) For additional information on U.S. dollar contracts, see subparagraphs B.9.c, B.9.d, and B.13.b, below.

b. Normal accounting procedures used to value the obligation at the current rate and pay at the current rate are used for:

(1) Currencies other than shown in Figure 7C-3.

(2) Appropriations not under foreign currency fluctuations programs.

(3) Reimbursements. See information in subparagraph B.11, below, related to the exclusion of reimbursements from using foreign currency fluctuations budget rates.

c. See DFAS-DE/Air Force Interim Guidance, "Accounting for Obligations," dated April 2000, for obligating foreign national employee separation allowances.

7. Funding and Obligating Documents in the Basic Appropriations. Foreign currency fluctuations direct funding documents for the basic appropriations are based on the budget rate of exchange applicable to each fiscal year for the designated foreign currencies involved.

a. Direct obligations for designated foreign currency fluctuations are computed and recorded in the accounting system (at the commitment, undelivered orders outstanding (UOO), or accrued expenditures unpaid (AEU) stage) in U.S. dollars using the budget rate for the applicable fiscal year specified as shown in Figure 7C-2.

b. The direct obligating documents should contain the type of currency and the applicable budget rate of exchange. A foreign currency code should be entered at Document Summary Record (DSR) level as prescribed by DFAS-DE 7077.2-M (formerly AFM 177-370, section 29).

8. Budget Rates. Foreign currency fluctuations budget rates for each fiscal year, as determined by the Congress, are furnished to DFAS-DE by DFAS Headquarters (DFAS-HQ). These budget rates are released when received by DFAS-DE. The budget rate for a designated foreign currency is the rate at which the budget is to be executed. Normally, budget rates are those rates used in preparing the budget submission. Budget rates, however, may be adjusted by the Congress prior to budget execution. Budget rates also may differ between FCF,D and FCF,C,D programs depending on congressional action. Budget rates are shown in Figure 7C-2.

9. Payments. When a payment is made, compute the U.S. dollar equivalent at the current rate of exchange and compare this amount to the foreign currency fluctuations obligation at the U.S. dollar amount computed on the obligating document at the budget rate. There always will be a difference.

a. Liquidate the recorded foreign currency fluctuations obligation on the obligation document at the budget rate. If no obligation has been recorded, then the charge to the basic Air Force appropriation is at the budget rate.

b. The difference between the U.S. dollar equivalent at the budget rate shown on the obligating document and the current rate is charged or credited to the applicable FCF,D or FCF,C,D CMA account shown in subparagraph B.3.e. The CMA accounting classification and the amount credited or charged to the CMA account is placed on the disbursement document along with the basic appropriation charge. Both the current rate and the budget rate are placed on the disbursement document.

(1) If there is an exchange rate loss (i.e., the current rate U.S. dollar value exceeds the budget rate U.S. dollar value on the obligating document), charge this difference to the applicable CMA account.

(2) If there is an exchange rate gain (i.e., the budget rate U.S. dollar value shown on the obligating document exceeds the current rate U.S. dollar value), prepare a collection voucher and credit this difference to the applicable CMA account. The credited amount can also be shown in brackets on the disbursement voucher.

(3) Payments for Canadian dollar contracts will be processed as follows:

(a) For fuels, send to the Defense Finance and Accounting Service-Columbus Center, Attention: DFAS-CO/LCOMB, P.O. Box 182317, Columbus, OH, 43218-2317.

(b) For nonfuels, send to the Defense Finance and Accounting Service-Columbus Center, Erie Contract Accounting Division, P.O. Box 182041, Columbus, OH, 43218-2041.

c. There may be occasions when contractual arrangements specify payment in U.S. dollars to a contractor (see subparagraph B.6.a, above). A disbursement is made in U.S. dollars to the contractor based on a foreign currency budget rate. The contractor purchases foreign currency for payment of labor or other costs. The contractor is reimbursed for additional conversion charges or is billed for any gain realized. The proper CMA account is credited or charged for the gain or loss when the contracting officer verifies the current rate of the contractor's currency purchase. An adequate audit trail shall be maintained to the original payment voucher when the CMA account is credited or charged.

d. Certain U.S. dollar contracts, not under the foreign currency fluctuations process, are described in subparagraph B.13, below.

e. When charging a CMA account for the foreign currency fluctuations difference between the budget rate and the current rate, the appropriation for the CMA and the basic appropriation shall be the same. For example, the Air Force O&M (Fund Code 30) CMA can be used only to charge or credit foreign currency fluctuations related to Air Force O&M (Fund Code 30) obligations.

f. Account 57F6763 may not be used for gains and losses related to FCF,D or FCF,C,D obligations. This account is for exchange gains and losses relating to the cash on hand in the disbursing area.

10. Cross Disbursements/For Others/By Others

a. Foreign currency payments made for other DoD Components (see subparagraph B.3, above), which are under foreign currency fluctuations procedures, require a charge to the basic appropriation at the appropriate budget rate for the fiscal year involved and a charge or credit to the appropriate Component's CMA account for the difference. Vouchers shall cite both the basic appropriation of the Component and the CMA accounting classification of the component.

b. If a discrepancy exists between the Air Force budget rate and the budget rate of another service, the budget rates herein prevail. When making foreign currency payments for other DoD Components not shown in subparagraph B.3, above, follow normal procedures charging the total amount to the basic appropriation account.

c. Vouchers paid by other disbursing offices should contain both the basic appropriation and the CMA accounting classification. U.S. dollar amounts for the basic appropriation at the budget rate and for the CMA account at the difference between the budget rate and the current rate should be on the voucher when certifying for payment.

d. For by-others payments that incorrectly record a charge or credit against a CMA account, or fail to record a gain or loss variance properly chargeable or creditable to a CMA account, accept and adjust such transactions per DFAS-DE 7010.1-R, "General Accounting and Finance Systems at Base Level," paragraph 27-32 and section F.

11. Reimbursable Programs. Only direct programs are affected by these foreign currency fluctuations procedures. Performing activities continue to accept reimbursable orders, incur obligations, and bill for reimbursements at the current rate of exchange. This procedure includes reimbursable military interdepartmental purchase requests.

a. If the ordering activity is within the Department, and if the performing activity is incurring obligations that will be paid in one of the designated currencies, then the performing activity notifies the ordering activity of these amounts. The ordering activity records that portion of its obligation at the budget rate as described in subparagraph B.7, above, and charges or credits the disbursement variance to the applicable CMA account as described in subparagraph B.9, above.

b. When reimbursable billings are made on a cost accounting basis, reversing entries may be required to a foreign currency fluctuations CMA account as well as to a basic appropriation. This will occur when a billing, at the current rate, has a portion or all of a billing that is a prorated cost accounting charge of an expense which was initially incurred at the budget rate.

(1) A performing activity uses the current rate rather than the budget rate for foreign currency reimbursable obligations. A performing activity pays at the current rate and bills at the current rate per subparagraphs B.11 and B.11.a, above.

(2) There may be some situations when a performing activity's costs are incurred at the budget rate. This may occur when the performing activity's reimbursable costs are contained within a system committed to the budget rate. For instance, payroll costs are processed for all employees and incurred at the Air Force O&M budget rate. If one employee's payroll cost is intended to be reimbursable to, for instance, Base Engineer Automated Management System/Workorder Information Management System (BEAMS/WIMS) from family housing, the Air Force O&M charge for that employee is at the budget rate with the gain or loss credited or charged to the FCF,D CMA.

(3) BEAMS/WIMS (the performing activity) bills family housing for the foreign currency cost of the employee labor at the current rate. As stated, this labor cost already has been charged to Air Force O&M at the budget rate during the actual payment of the payroll. Likewise, a gain or loss has been credited or charged to the FCF,D CMA account.

(4) Family housing (the ordering activity) reimburses the BEAMS/WIMS billing at the current rate. Family housing then charges the O&M account for the cost at the budget rate with a gain (or loss) credited (or charged) to the FCF,C,D CMA.

(5) In the process, there has been a double charge to an O&M appropriation and a double charge or a double credit to the FCF,D CMA account and FCF,C,D CMA account for the same transaction. The original charge to the Air Force O&M appropriation should be reversed as well as the original credit or charge to the FCF,D CMA.

(6) See example transactions in Figure 7C-4.

(7) Local procedures may be adopted to correct any double charges or credits so long as the end objective results in a charge to the reimbursable program at the current rate and a charge to the direct program at the budget rate with the fluctuations charged or credited to the proper CMA account.

c. Revolving fund (stock fund) activities may not use budget rates. Additionally, with the exception of provisions in subparagraph B.11.b, above, foreign currency fluctuations procedures of using a budget rate in a basic appropriation do not apply when the performing activity is a revolving fund.

d. Foreign currency fluctuations reimbursable procedures normally do not apply when the performing activity is an industrial fund activity.

(1) Air Force O&M and other appropriations normally are charged at the established standard rate to cover industrial fund activity overhead and other costs, including gains or losses on foreign currency exchange. In these situations, the ordering activity may not charge the FCF,D CMA account for gains or losses incurred by the industrial fund activity.

(2) In certain instances, however, contracts are awarded for an industrial fund activity, with payment in one of the designated foreign currencies and a provision

for charging the Air Force O&M appropriation for the full actual costs on an itemized billing that is not based on the established standard rate. For those cases, cost increases due solely to designated foreign currency exchange rate fluctuations specifically are identifiable, and foreign currency fluctuations procedures may be applied by the ordering activity.

12. Base Engineer Automated Management System/Workorder Information Management System/On-line Vehicle Integrated Management System (BEAMS/WIMS/OLVIMS). Process reimbursable transactions for indirect foreign national labor costs in the BEAMS/WIMS and OLVIMS systems as indicated below.

a. BEAMS/WIMS. All activities whose BEAMS/WIMS shop rates include indirect foreign national labor costs, payable in one of the designated foreign currencies, shall ensure that these labor costs are based on the budget rates of exchange. The BEAMS/WIMS schedule of reimbursements and refunds (PCN SH100-451) shall cite element of expense investment code (EEIC) 515 at the budget rate. To adjust the amount to the current rate for billing purposes, multiply the amount by the budget rate and divide that amount by the current rate of exchange. The billing document separately identifies the dollar amount at the budgeted rate and the difference between the budgeted rate and the current rate.

b. OLVIMS. The OLVIMS motor vehicle reimbursement/refund billing list (PCN SH069 V12) shows the EEIC 515 amounts at the budgeted rate for these designated currencies. To obtain the current billing rate costs, multiply the EEIC 515 amount by the budgeted rate and divide by the current rate of exchange. To assist Air Force and other DoD activities in preparing disbursement documentation, show both the budget rate and current rate costs on the billing document. Acceleration of the indirect foreign national labor costs at the local established rates are made against both the budgeted costs and the difference between the budgeted and current costs.

13. Exemptions

a. Civilian living quarters allowances (LQA) are excluded by the OUSD(C) from coverage under Air Force foreign currency fluctuations procedures. This exclusion extends to other DoD Components when the Air Force provides accounting support.

b. Certain contracts for fixed U.S. dollar amounts contain a clause providing for disbursements in foreign currency at the exchange rate current on the day of disbursement. The U.S. dollar amount paid is the same fixed amount, but the U.S. dollars are converted to foreign currency at time of payment. While the contract is payable in a foreign currency, the value of the contract itself is not based on a foreign currency or an exchange rate. The gain or loss on exchange is shifted to the payee/contractor. Contracts of this type are not included in the foreign currency fluctuations accounting process.

c. Travel payments to foreign national employees for the settlement of travel vouchers are not included in foreign currency fluctuations procedures per OUSD(C) guidance.

d. Payment of claims from O&M, Air Force, funds in a designated foreign currency under the Foreign Claims Act (10 U.S.C. 2734) is exempt from foreign currency fluctuations procedures per direction of SAF/FMP. Charge these claims to the O&M appropriation at the current rate of exchange.

14. Overobligations

a. If a foreign currency fluctuations expenditure exceeds a statutory limitation solely because of fluctuations in a designated foreign currency, the statutory limit is increased to the extent necessary to reflect the fluctuations in the designated foreign currency current exchange rate from the budget rate.

b. So long as the obligated amount at the budget rate does not exceed a statutory limit, no violation occurs even though the actual amount to be disbursed might be greater than the statutory limitation.

c. See Volume 14 of this Regulation and DFAS-DE 7200.1-R, “Administrative Control of Appropriations,” (formerly AFR 177-16) paragraph 38, for further guidance.

15. Other DFAS-DE References on Foreign Currency Fluctuations

a. DFAS-DE 7040.1-M, “Desk Top Instructions,” Pages 6-19

b. DFAS-DE 7220.2-R (formerly AFR 170-9), “Fiscal Yearend Certification of Appropriation and Fund Balances”

c. DFAS-DE 7220.3-R (formerly AFR 177-130), “Policy, Functions, and Responsibilities at Major and Intermediate Command Level”

MESSAGE FORMAT, FOREIGN CURRENCY FLUCTUATIONS REPORT,

RCS: ACCT RPT(M)1506

UNCLAS

SUBJECT: ACCT RPT(M)1506, FOR PERIOD ENDED 30 JUNE 20XX

FOREIGN CURRENCY FLUCTUATIONS REPORT
ACCT RPT(M)1506

OAC: (Your OAC)	FC	FY	ULO	PLANNED OVERSEAS PROGRAM
FOREIGN CURRENCY: DEUTSCHE MARK				
CURRENT YEAR	30	*	\$XXX,XXX	\$XXX,XXX
1ST EXPIRED YEAR	30	*	XXX,XXX	
2ND EXPIRED YEAR	30	*	XXX,XXX	
3RD EXPIRED YEAR	30	*	XXX,XXX	
4TH EXPIRED YEAR	30	*	XXX,XXX	
5TH EXPIRED YEAR	30	*	XXX,XXX	
CURRENT YEAR	2X	*	\$XXX,XXX	
1ST EXPIRED YEAR	2X	*	XXX,XXX	
2ND EXPIRED YEAR	2X	*	XXX,XXX	
3RD EXPIRED YEAR	2X	*	XXX,XXX	
4TH EXPIRED YEAR	2X	*	XXX,XXX	
5TH EXPIRED YEAR	2X	*	XXX,XXX	
CURRENT YEAR	83	*	\$XXX,XXX	
1ST EXPIRED YEAR	83	*	XXX,XXX	
2ND EXPIRED YEAR	83	*	XXX,XXX	
3RD EXPIRED YEAR	83	*	XXX,XXX	
4TH EXPIRED YEAR	83	*	XXX,XXX	
5TH EXPIRED YEAR	83	*	XXX,XXX	
	FC	FY	ULO	
CURRENT YEAR	25	*	\$XXX,XXX	
2ND CURRENT YEAR	25	*	XXX,XXX	
3RD CURRENT YEAR	25	*	XXX,XXX	
4TH CURRENT YEAR	25	*	XXX,XXX	
5TH CURRENT YEAR	25	*	XXX,XXX	
1ST EXPIRED YEAR	25	*	XXX,XXX	
2ND EXPIRED YEAR	25	*	XXX,XXX	
3RD EXPIRED YEAR	25	*	XXX,XXX	
4TH EXPIRED YEAR	25	*	XXX,XXX	
5TH EXPIRED YEAR	25	*	XXX,XXX	
CURRENT YEAR	89	*	\$XXX,XXX	
2ND CURRENT YEAR	89	*	XXX,XXX	
3RD CURRENT YEAR	89	*	XXX,XXX	
4TH CURRENT YEAR	89	*	XXX,XXX	
5TH CURRENT YEAR	89	*	XXX,XXX	
1ST EXPIRED YEAR	89	*	XXX,XXX	
2ND EXPIRED YEAR	89	*	XXX,XXX	
3RD EXPIRED YEAR	89	*	XXX,XXX	
4TH EXPIRED YEAR	89	*	XXX,XXX	
5TH EXPIRED YEAR	89	*	XXX,XXX	

FOREIGN CURRENCY: FRENCH FRANC
(Repeat information for each currency)

* Show applicable fiscal year.

Unliquidated Obligation (ULO) figures are at the budget rate. Report current year and all expired years for each designated foreign currency and each fund code. O&M accounts (FC 30, 2X, and 89) have one current year. Construction accounts (FC 25 and 89) have five current years.

Figure 7C-1

FOREIGN CURRENCY FLUCTUATIONS BUDGET RATES							
Fund Codes 30 and 2X							
FISCAL YEAR							
COUNTRY	2001	2000	1999	1998	1997*	1997	1996
Belgium	49.6404	38.2600	38.648	37.2500	\$ 35.1300	\$ 31.2500	\$ 30.14
Canada	-	-	-	-	-	-	1.34
Denmark	9.1871	7.1100	7.3240	6.8680	6.5670	5.6130	5.68
European Union	1.2325	0.9486	0.9824	-	-	-	-
France	8.0786	6.2211	6.4520	6.0760	5.7305	4.9571	5.05
Germany	2.4048	1.8549	1.9280	1.8068	1.6978	1.5125	1.47
Greece	416.6065	312.6700	302.197	283.9200	269.6200	237.8517	235.29
Italy	2384.6890	1,836.3700	1888.189	1,759.0000	1,691.0000	1,524.0000	1,637.47
Japan	122.1325	111.6695	140.590	121.1700	125.31000	109.0000	98.53
Netherlands	2.7115	2.0899	2.1670	2.0330	1.9148	1.6900	1.64
Norway	9.9314	7.8880	7.8050	7.4175	7.07100	6.3960	6.41
Portugal	247.6330	190.6800	196.773	183.2500	170.9900	150.7909	151.97
Singapore	1.9098	1.6640	1.739	1.5030	1.4388	1.4310	-
South Korea	1,244.0760	1,199.1000	1446.750	907.6000	893.0000	821.5000	776.34
Spain	205.5207	158.2500	162.738	152.3300	143.5900	127.0000	125.48
Turkey	719,969.0000	480,770.0000	211,743.729	168,865.0000	132,250.0000	71,500.0000	48,076.92
United Kingdom	0.7415	0.6080	0.6670	0.6321	0.6115	0.6468	0.65

These budget rates are for the Foreign Currency Fluctuations, Defense (FCF,D) program. Use these rates for direct cite obligations of the Operation and Maintenance, Air Force (57*3400, fund code 30); and Defense Health Program, Air Force, Operation and Maintenance (97*0130.1883, fund code 2X). Military Personnel Appropriation also uses these rates at department level.

* May through September. As of May 1, 1997, existing FY 1997 unliquidated obligations were to be revalued to the new FY 1997 budget rate. The previous budget rates for FY 1997 remained in effect for the transactions that were made for the first 7 months of the fiscal year.

NOTE: Budget rates may not be used with reimbursable obligations. A currency code must be entered at DSR level for each obligation at the budget rate. For FY 1997, Canada was eliminated and Singapore was added. For FY 1999, the European Union was added.

Figure 7C-2

FOREIGN CURRENCY FLUCTUATIONS BUDGET RATES (Fund Codes 25, 83, 89)					
FISCAL YEAR					
COUNTRY	2001	2000	1999	1998	1997
Belgium	49.6404	38.2600	38.6480	37.2500	29.83
Canada	-	-	-	-	-
Denmark	9.1871	7.1100	7.3240	6.8680	5.61
European Union	1.2325	0.9486	-	-	-
France	8.0786	6.2211	6.4520	6.0760	4.95
Germany	2.4048	1.8549	1.9280	1.8068	1.45
Greece	416.6065	312.6700	302.1970	283.9200	237.85
Italy	2384.6890	1836.3700	1,888.1890	1,759.0000	1,582.03
Japan	122.1325	111.6695	140.5900	121.1700	105.85
Netherlands	2.7115	2.0899	2.1670	2.0330	1.63
Norway	9.9314	7.8880	7.8050	7.4175	6.40
Portugal	247.6330	190.6800	196.7730	183.2500	150.79
Singapore	1.9098	1.6640	1.7390	1.5030	1.43
South Korea	1,244.0760	1,199.1000	1,446.7500	907.6000	787.09
Spain	205.5207	158.2500	162.7380	152.3300	122.39
Turkey	719,969.0000	480,770.0000	211,747.7290	168,865.0000	59,880.24
United Kingdom	0.7415	0.6080	0.6670	0.6321	.65
COUNTRY	1996	1995	1994	1993	1992
Belgium	32.41	36.36	34.13	33.16	31.06
Canada	1.37	1.33	1.26	1.13	1.16
Denmark	6.16	6.79	6.33	6.27	5.76
European Union	-	-	-	-	-
France	5.40	5.91	5.58	5.51	5.08
Germany	1.57	1.72	1.65	1.61	1.51
Greece	242.20	246.67	220.17	183.65	155.30
Italy	1,617.50	1,718.21	1,526.72	1,201.20	1,132.50
Japan	100.37	108.33	124.38	130.11	134.35
Netherlands	1.76	1.94	1.86	1.82	1.70
Norway	6.86	7.49	6.99	6.35	5.88
Portugal	160.94	175.90	149.10	142.47	132.50
Singapore	-	-	-	-	-
South Korea	791.50	809.06	797.45	753.98	712.25
Spain	131.75	141.94	117.56	101.60	95.15
Turkey	36,581.50	13,888.89	9,009.01	5,010.02	2,785.52
United Kingdom	.64	.67	.69	.56	.52

These budget rates are for the Foreign Currency Fluctuations, Construction, Defense (FCF,C,D) program. Use these rates for direct cite obligations of the Military Construction, Air Force (57*/*3300, fund code 25); Family Housing Construction, Air Force (57*/*7040, fund code 89); and Family Housing Operation and Maintenance Air Force (57*7045, fund code 83) appropriations. Military Construction, Defense Medical Support Activity (97 6/0 0500.1402, fund code YS) and Military Construction, DoD (978/20500.0200, fund code 84) also uses these budget rates but does not have a centrally managed allotment to credit gains or charge losses. Gains and losses are credited or charged to budget program 670, Foreign Currency, issued via a specific allotment document.

NOTE: Budget rates may not be used with reimbursable obligations. A currency code must be entered at DSR level for each obligation at the budget rate. Canada terminated for FY 1997, Singapore added. European Union added in FY 1999.

Figure 7C-2 (Cont'd)

DESIGNATED FOREIGN CURRENCIES AND CROSS DISBURSEMENT CODES						
COUNTRY	COUNTRY CODE	DESIGNATED FOREIGN CURRENCY	CROSS DISBURSEMENT CODES			
	(CO-817)		Army	DLA	DoDDS	NSA
Belgium	BE	FRANC	71	78	61	BE
Canada *	CA	DOLLAR	69	88	62	CA
Denmark	DA	KRONE	72	77	73	DA
European Economic Union	**	EURO	**	**	78	**
France	FR	FRANC	73	76	74	FR
Germany	GE	DEUTSCHE MARK	61	80	63	GE
Greece	GR	DRACHMA	63	82	64	GR
Italy	IT	LIRA	67	86	65	IT
Japan	JA	YEN	60	79	66	JA
Netherlands	NL	GUILDER	65	84	67	NL
Norway	NO	KRONE	74	X	75	NO
Portugal	PO	ESCUDO	66	85	69	PO
Singapore	SN	DOLLAR	76	**	77	SN
South Korea	KS	WON	75	90	76	KS
Spain	SP	PESETA	64	83	70	SP
Turkey	TU	LIRA	68	87	71	TU
United Kingdom	UK	POUND	80	81	72	UK

X = Not Used
 * Canadian dollar under the program until October 1, 1996
 ** Cross Disbursement codes for the European Economic Union (Euro) are currently being developed. Contact your Defense Finance and Accounting Service point-of-contact for current information.

Figure 7C-3

FOREIGN CURRENCY FLUCTUATIONS REVERSING ENTRY EXAMPLES

Reversing entries are required when performing activity bills the ordering activity at the current rate for expenses which were incurred at the budget rate.

EXAMPLE WHEN BUDGET RATES ARE THE SAME FOR FCF,D AND FCF,C,D

Family housing labor cost in payroll system that is reimbursable to BEAMS is DM 1,000.

Currency is Deutsche Mark

Budget rate is 2.03 to \$1 for FCF,D

Budget rate is 2.03 to \$1 for FCF,C,D

Current rate is 1.99 to \$1

THE CURRENCY SELECTED AND CURRENCY RATES ARE FOR ILLUSTRATIVE PURPOSES ONLY.

\$492.61* AF O&M charge at budget rate
9.90* FCF,D charge for loss
 \$502.51 Total labor cost at current rate

BEAMS bills Family Housing DM 1,000 at current rate.

Family Housing reimburses BEAMS the \$502.51 and charges the DM 1,000 as follows:

\$492.61 FH O&M charge at budget rate
9.90 FCF,C,D charge for loss
 \$502.51 Total reimbursed by Family Housing to BEAMS

*The reimbursement from family housing to BEAMS requires a reversing entry to AF O&M for \$492.61 and to the FCF,D CMA for \$9.90.

EXAMPLE WHEN BUDGET RATES DIFFER BETWEEN FCF,D AND FCF,C,D

Family Housing labor cost in payroll system that is reimbursable to BEAMS is DM 1,000.

Currency is Deutsche Mark

Budget rate is 2.03 to \$1 for FCF,D

Budget rate is 1.89 to \$1 for FCF,C,D

Current rate is 1.99 to \$1

THE CURRENCY SELECTED AND CURRENCY RATES ARE FOR ILLUSTRATIVE PURPOSES ONLY.

\$492.61** AF O&M charge at budget rate
9.90** FCF,D charge for loss
 \$502.51 Total labor cost at current rate

BEAMS bills Family Housing DM 1,000 at current rate.

Family Housing reimburses BEAMS the \$502.51 and charges the DM 1,000 as follows:

\$529.10 FH O&M charge at budget rate
26.51 FCF,C,D credit for gain
 \$502.51 Total reimbursed by Family Housing to BEAMS

**The reimbursement from family housing to BEAMS requires a reversing entry to AF O&M for \$492.61 and to the FCF,D CMA for \$9.90.

Figure 7C-4