



Treasury Financial Manual

Chapter 3200

Foreign Currency Accounting and Reporting

This chapter covers the Department of the Treasury (Treasury) requirements relating to the accounting for and reporting of foreign currencies acquired by accountable officers without purchase for dollars. Generally these currencies are acquired under the provisions of foreign assistance or foreign agricultural development programs. The requirements of this chapter are applicable to all military, United States, and certain Treasury Disbursing Offices (TDOs) and Non-Treasury Disbursing Offices (NTDOs) having this type of activity.

Section 3210 - Authority

The procedures prescribed by this chapter are required pursuant to Title 31 of the Code of Federal Regulations, Part 281. Additional guidance can also be found at I TFM 2-1000.

Section 3215 - Definitions

- **Accountable Officer** - This role is an U.S. Government official or employee who, on behalf of the United States, receives and maintains public funds, certifies vouchers, or maintains or draws checks on accounts of the United States, including those in depository banks designated by the Secretary of the Treasury.
- **Disbursing Officer** - This role is an employee of the Federal Government, a Treasury DO (TDO) or non-Treasury DO (NTDO), authorized to perform financial transactions (deposit collections, disburse checks, and transfer funds between agencies). NTDOs located overseas, also referred to as USDOS, are authorized to disburse funds in both U.S. dollars and in foreign currency.
- **Collections** - This term includes all acquisition of foreign exchange except that acquired by the United States by purchase with dollars.
- **Country Use Currencies** - Country use currencies are generally expended under government-to-government agreements for loans and grants within the country involved which are not controlled under the dollar appropriation process.
- **Foreign Currency Fund Account** - Foreign currency fund accounts are established for recording foreign currencies which are acquired without payment of U.S. dollars abroad and which may be expended with or without charge to dollar appropriations.
- **Foreign Exchange** - This term is synonymous with the term foreign currency.
- **United States Use Currencies** - United States use currencies are usually expended through the dollar appropriation process to pay U.S. obligations abroad, pay for U.S. technical, scientific, and other programs, and to make sales for dollars to U.S. citizens as well as nonprofit organizations in selected countries.

- **Translate** - This term is used to describe the act of determining U.S. dollar equivalents of foreign currency amounts.

Section 3220 - Reporting Requirements

3220.10 - Uniform Reporting

This section establishes rules governing certain aspects of foreign currency reporting by agencies to achieve comparability and consistency between reports with similar coverage. These procedures are not intended to place prohibitive limitations on the content of agency reports. Modification of prescribed reporting formats is permitted by means of special columns, explanatory notes, or other devices, provided the integrity of the basic data is maintained and the nature, extent, and purpose of departures from the procedures are fully disclosed. However, any material modification should be cleared by Treasury (see Contacts page).

3220.20 - Consistency Between Reports

Foreign currency reports will be consistent with the amounts shown in official statements of accountability and transactions rendered by accountable officers. Foreign currency reports will also be consistent with regularly published Treasury foreign currency reports as to amounts stated in foreign currency units and United States dollar equivalents.

3220.30 - Monthly Statements of Accountable Officers

Statements of transactions and balances of foreign currencies held outside dollar accountability as recorded by the accountable officers will be submitted monthly. Amounts of foreign currencies will be stated in foreign currency units at the level of individual "FT" accounts. Transactions will be classified or coded to provide for separate identification of receipts, disbursements, sales for dollars, transfers, conversions to third country currency, and other transaction classes if needed. Ordinarily, a copy of the regular monthly statements prepared by accountable officers will meet this requirement. The statements will be transmitted as soon as possible after the close of the reporting month, but not later than 20 calendar days thereafter to Treasury (see Contacts page). For additional guidance, please see I TFM 4A-3000 and I TFM 4A-4000.

3220.40 - Quarterly Reports of Accountable Officers

Consolidated quarterly reports stating the amounts (cumulative for the fiscal year through the end of the reporting quarter) of foreign currencies purchased with dollars from sources outside the U.S. Government will be submitted by accountable officers. The amounts reported will include acquisitions of currencies through accommodation exchange transactions as well as purchases from banks and other exchange dealers. The report will be in the form of a listing under the following headings: "Country of Currency," "Monetary Unit," "Number of Units Purchased," "Total Dollar Outlay," and "Memorandum Dollar Outlay for Accommodation Exchanges." The reports will be submitted to Treasury (see Contact page) within 45 calendar days after the close of each quarter.

Quarterly reports of the balances of foreign currencies on hand at the end of each quarter under the dollar accountability of accountable officers will be submitted to Treasury. The report will be in the form of a listing under the following headings: "Country of Currency," "Monetary Unit," "Number of Units," "Dollar Equivalent," and "Exchange Rate." This report will be submitted at the same time as the report on outside purchases required by the preceding paragraph and may be combined with that report. A copy will be submitted simultaneously to the Balance of Payments Division, Bureau of Economic Analysis, BE-58,

Quarterly reports of foreign exchange received by accountable officers and credited directly to miscellaneous receipt accounts of the Treasury will also be submitted. These currencies are received for such things as fees and services and are immediately purchased with appropriated funds for agencies' operating needs. Repayments to appropriations and receipts to foreign transaction (X7000) accounts are excluded. The report will be in the form of a listing under the following headings: "Country of Currency," "Monetary Unit," "Number of Units," "Dollar Equivalent," and "Exchange Rate." This report will be submitted at the same time as the report on outside purchases and balances of foreign currencies on hand required by the preceding paragraphs and may be combined with those reports.

3220.50 - Semiannual Statement of Balances

Treasury will compile from its central accounts the semiannual report entitled "Foreign Currencies Held by the U.S. Government." This report shows foreign currency balances (in currency units and dollar equivalents) held by accountable officers for the report of agencies excluding currencies held under dollar accountability. Two copies of the statement, or segment thereof, will be furnished to each agency for which balances are held. Each agency will review the statement for agreement with its records. Discrepancies which appear to exist in the statement will be adjusted in cooperation with Treasury. One copy of the accepted or adjusted statement, which becomes the final report, will be returned to Treasury under cover of a letter referring to the fact that the statement has been reviewed. As adjusted, it is a complete statement of the foreign currency balances held by accountable officers for the report of the agency and agrees with the records and reports of the agency. The review and return should be accomplished within 10 working days following receipt from Treasury. This statement will be prepared as of March 31 and September 30 each fiscal year.

3220.60 - Semiannual Report On Country Owned Currencies

Each agency which administers the United States interest in foreign country owned "counterpart" funds will submit a semiannual report, as of September 30 and March 31, of the unexpended balances of such funds. The report will be stated in currency units and dollar equivalents and will be submitted on or before the date of return of the adjusted statement described in Section 3220.50.

3220.70 - Estimated Overseas Collections and Expenditures

Each agency which has overseas expenditures and foreign currency transactions will submit annually the "Report of Estimated Foreign Currency Collections and Expenditures" as shown in Appendix 1 covering the current fiscal year and the succeeding fiscal year. The U.S. dollar equivalents of the estimated foreign currency collections and expenditures will be computed at the Treasury reporting rates of exchange in effect on the last day of the fiscal year just ended. All amounts are to be rounded to the nearest thousand, e.g., \$2,785,621.40 will be reported as \$2,786. An original and two copies of each report will be submitted as soon as possible after the close of the fiscal year, but no later than November 15, to the Treasury (see Contacts page).

Section 3225 - Administration of Foreign Exchange

3225.10 - Collections

Foreign exchange collected by agencies will be delivered promptly into the custody of accountable officers for credit to accounts of the Treasury unless otherwise directed by the Secretary of the Treasury. The term

"collections," for the purpose of these regulations, does not include foreign exchange acquired by the United States by purchase with dollars. The accountable officer will maintain records showing the collections, by source, and indicating the miscellaneous receipt accounts or other accounts in the Treasury to be credited with dollar proceeds from sale of the foreign exchange, and such further classifications as may be needed to indicate exchange which can be used only for restricted purposes. Accountable officers will be advised by the collecting agencies of the source of collections and any restrictions on the use of the foreign exchange in order that the foregoing records may be maintained.

3225.20 - Guaranty Funds

These regulations are applicable to all foreign exchange acquired by the United States under guaranty provisions of Section 1011 of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442) except that receipts of such foreign exchange will be deposited in the foreign exchange accounts of the U.S. Treasury.

3225.30 - Depositaries

Except as provided in the following paragraph, foreign exchange which is held by accountable officers for account of the Treasury and foreign exchange acquired by accountable officers by purchase or otherwise, which is not immediately disbursed but is held by such officers for their own account or for the account of any agency, will be maintained only in depositaries designated by the Secretary of the Treasury. Unless otherwise directed by the Secretary, accountable officers are not required to have separate depository accounts for foreign exchange held for the account of the Treasury. Accountable officers may carry foreign exchange as cash outside depositaries only pursuant to authority granted in accordance with I TFM 4A-3000.

Deposits in and withdrawals from foreign exchange accounts maintained with depositaries in the name of the U.S. Treasury will be made only as directed by the Secretary.

3225.40 - Withdrawals from Treasury Accounts

Foreign exchange will be withdrawn from accounts of the Treasury on the books of accountable officers or from the foreign exchange accounts carried with depositaries in the name of the U.S. Treasury, only for the purpose of (1) sale for dollars or (2) transfer to agencies for authorized purposes, without reimbursement to Treasury, as provided by or pursuant to law. Such transfers, as well as transfers between foreign exchange accounts of the Treasury and between foreign exchange accounts in the name of the U.S. Treasury, will be made only by direction of the Secretary. An agency requiring foreign exchange from Treasury will make request of the Secretary, indicating the amount of exchange required, in units of foreign currency, and the name and location of the accountable officer to receive the exchange. To the extent practicable and desirable, standing authorizations will be given for withdrawals from accounts of the Treasury.

3225.50 - Transfers Without Reimbursement

When foreign exchange is to be obtained from Treasury without payment of dollars, the agency concerned will furnish written certification that the exchange may be used without reimbursement to Treasury, citing the relevant legal authority. In cases where international agreements or Office of Management and Budget allocations specify the programs for which foreign exchange may be used, Treasury may transfer foreign exchange to agencies without requiring a certification.

Foreign currency so allocated is part of the agency's fund balances maintained by Treasury, therefore, for

total accountability, the foreign currency should be included in the financial statements as part of the Fund Balances and Investment of the U.S. Government, with an explanatory footnote as to the use and availability of the currency, e.g., "not available for the payment of general obligations."

3225.60 - Unfunding

If funds in Treasury nonrestricted sales accounts have been completely expended, the accountable officer should, prior to purchasing commercially, unfund agency foreign currency accounts which are not restricted by specific agreements (e.g., trust fund moneys where interest does not revert to the fund). Amounts which have been transferred by the unfunding procedure can at any time be reclaimed by the "unfunded" account if needed for payment of vouchers against the earmarked account.

If, subsequent to the unfunding, balances become available in Treasury sales accounts which are in excess of immediate needs, the unfunded amounts should be reduced by the balances in Treasury sales accounts (up to the amount unfunded) following the priority of sales.

Section 3230 - Translating Foreign Currencies to U.S. Dollar Equivalents

3230.10 - General

The procedures prescribed herein apply to all foreign currencies in which the United States has an interest, including receivables and country owned "counterpart" funds, except currencies held under the dollar accountability of accountable officers. Foreign currencies held under dollar accountability will continue to be reported at the exchange rates prescribed for computing charges and credits to dollar receipt, appropriation, and fund accounts.

For reporting purposes, financial transactions and balances for which the basic value measure is foreign currency units will be translated to U.S. dollar equivalents at Treasury reporting rates (subsection 3230.20d). Unless otherwise provided, this rule applies to all types of transactions and balances including, for example, receipts and disbursements, accrued revenues and expenditures, authorizations, obligations, and receivables and payables. Refunds and similar reverse-transaction items shall be translated for reporting purposes at Treasury reporting rates prescribed for the period when the refunds occur without regard to the rates applied to the original transactions. Adjustments will be shown as necessary to record the effects of exchange rate fluctuations.

3230.20 - Exchange Rates

a. Uniform Exchange Rates. Translations of foreign currency units to U.S. dollar equivalents will be made at exchange rates which are uniform throughout the Government with respect to specified categories of accounts or transactions and with respect to given periods of time.

b. Agreement Rates. Agreement rates are the rates provided in international agreements regarding the number of units of foreign currency corresponding to a given dollar amount for the purpose of effecting collections of currencies. To the extent that such rates are not otherwise available to Treasury, collecting agencies will furnish the agreement rates promptly after the close of each month for purposes of translations.

Foreign currency collection transactions which are generated under international agreements will be translated at agreement rates unless otherwise determined by Treasury in consultation with the agencies concerned. Refunds (return) of collections will also be translated at agreement rates if the related

collections had been stated on that basis. (Adjustments will be shown as necessary to record the effects of differences between the agreement rates applicable to collections and the Treasury reporting rates applicable to balances.)

c. **Selling Rates on Withdrawals from Treasury Accounts.** Concerning the sale of foreign exchange held in accounts of the Treasury, the payment in dollars will be calculated at the rate of exchange that would otherwise be available to the United States for the acquisition of the foreign exchange for its official disbursements unless otherwise determined by Treasury in consultation with the agencies concerned. When the rate that would otherwise be available to the United States is not readily ascertainable, Treasury will be consulted (see Contact page). The dollar proceeds realized from the sale of foreign exchange will be credited to the appropriate receipt, appropriation, or fund account on the books of Treasury. The dollar payment for foreign exchange purchased will not be charged as an appropriation expenditure until the foreign exchange is disbursed.

In the case of foreign currencies sold for dollars, the sales transactions will be stated at the prevailing rate of exchange on the day of sale; that is, the dollar equivalents of reported sales will equal the dollar proceeds of the sales.

d. **Treasury Reporting Rates.** Treasury reporting rates are the rates at which most foreign currencies are to be translated under provisions of these regulations. In general, the rates will be published by Treasury on the first working day of each quarter and will represent the latest available Treasury prevailing rate in each country. The rates published at the beginning of a quarter will be applicable to closing balances of the preceding quarter and to transactions and balances in the ensuing quarter, but not to balances at the close of such quarter. For example, the rates published on April 1 would be applicable to balances as of March 31, to transactions for April, May, and June, and to balances as of April 30 and May 31. The rates published on July 1 will govern the balances as of June 30. Balances as of the close of a month and opening balances of the succeeding month must always be in agreement. The published rates will usually be rounded to four significant digits. For countries where fluctuations in Treasury prevailing rates are minimal, par or mean rates may be prescribed. Amendments to the quarterly rates will be published during the quarter to reflect significant changes in the quarterly data such as rate changes of 10 percent or more or the establishment of new currencies.

In the case of third country conversions (the conversion of one foreign currency to another) the Treasury reporting rate will be applied to the payment side (the currency released) and the same dollar equivalent will be used for the currency acquired, thereby "washing" the dollar effect of the conversion transaction. (An adjustment will be shown as necessary to record the difference between the dollar equivalent so derived for the currency acquired and the dollar equivalent derived by translating the acquired currency at the Treasury reporting rate for the country of acquisition.)

3230.30 - Loans and Certain Other Receivables

These procedures are applicable to loans and to other receivables with original maturities of one year or more (hereinafter referred to as loans) which: (1) are denominated in currency units; or (2) are repayable exclusively in foreign currencies; or (3) are repayable optionally in foreign currencies if the option rests with the debtor.

For loans denominated in currency units or otherwise fixed as to the number of currency units receivable, the current value should equal the fixed number of units receivable translated at the Treasury reporting rate prescribed for the date of the balance. For loans denominated in dollars under a maintenance of value agreement, the current value should equal the outstanding dollar denominated amount multiplied by the

ratio of the agreement rate to the Treasury reporting rate. Both rates will be as of the date of the balance; however, if the difference between the agreement rate and the Treasury reporting rate in a particular instance is not material, the dollar denominated amount may be stated as the current value.

In addition to current values, statements of loans outstanding will generally show historical values which relate the balances to the transactions which generated the loans. The differences between historical values and current values will be shown as valuation adjustments.

Reporting requirements for loans and certain other receivables are prescribed in I TFM 2-4500.

Section 3235 - Foreign Currency Abbreviations and Conversions

3235.10 - General

Treasury will maintain central reservation accounts for each country for the reservation of foreign currencies on an unfunded basis. Disbursing officers are not required to maintain records of reserved currencies. They will be permitted to utilize the currencies for any purpose for which they would otherwise be authorized to purchase currencies in the market.

3235.20 - Reservation of Foreign Currencies

To request the reservation of foreign currencies, agencies should submit letters to Treasury (subsection 3270) specifying the appropriation involved; the authority under which the request is made; the category of currencies authorized (e.g., currencies generated under the Agricultural Trade Development and Assistance Act of 1954 Public Law 480, any excess currencies); the amount requested to be reserved stated in foreign currency units; and any other pertinent information. At least once each year agencies should review unexpended balances of reservations in order to ascertain their present need. Reductions should be offset against current requests, or shown separately in the letters of request if the offset method cannot be used.

3235.30 - Annual Report on Reservation Activities

Treasury must compile and report figures relative to reservation activity conducted on an "unfunded" basis. Therefore, each agency is requested to provide the annual data shown in Appendix 2 on or before November 15.

3235.40 - Reservation Certificates

Treasury will issue FMS Form 6910 "Foreign Currency Reservation Certificates" either in response to letters requesting reservations, or automatically based on reservation plans for phasing out the excess designation of certain foreign currencies as determined by the Secretary of the Treasury. Such phase out plans are developed by the Department of State in conjunction with the concerned agencies and then approved by Treasury and the Office of Management and Budget. These certificates will establish control amounts of availability without actually transferring the currencies to a funded program account. Certificates will be issued within the limits of available receipts (actual collections of foreign currency) in each country. The portion of agency requests which exceeds current availability will be filled as currencies become available. Certificates will not be issued to reserve an excess currency if such action would affect the excess status of a country. Unresolved questions of priority among agencies will be referred for decision to the Office of Management and Budget.

3235.50 - Application to Foreign Currency Limitations on Appropriations

To avoid double counting, the currencies reserved under the procedures prescribed herein may be considered as satisfying a limitation requiring the use of "Treasury owned currencies" only for the appropriation for which the currencies were reserved. Consequently, expenditures of reserved currencies for purposes other than that for which reserved (as a result of maintaining reservations on an unfunded basis) may not be applied to appropriation limitations until the currencies are later replaced and spent for the appropriation for which reserved.

3235.60 - Conversion of Currencies

FMS Form 6911 "Foreign Currency Conversion and Transfer Voucher" will be used by agencies for reporting the amount of foreign currencies (in Treasury X7000 accounts) available in excess and near excess currency countries for conversion to currencies of another country or to dollars. Conversions are limited to loan repayments under Title I of Public Law 480, under agreements stipulating two percent convertibility. Amounts available under these agreements, as well as any future agreements with convertibility provisions, should be submitted to Treasury on FMS Form 6911 each time the balance of convertible currencies in any excess or near excess currency country reaches the U.S. equivalent of approximately \$10,000. When the FMS Form 6911 is received in Treasury and where the U.S. holdings of a particular currency warrant, Treasury will transmit the form to the disbursing officer for necessary action. The FMS Form 6911 will be submitted in an original and one copy to Treasury (see Contacts page). The forms should be numbered consecutively, prefixed by the agency code (e.g., 72-1, 72-2, and so forth).

3235.70 - Reconciliation and Control of Accounts

Periodically, agencies will be asked to reconcile their accounts to Treasury's reservation accounts. Treasury will verify that amounts of reservations established in each country are within the limits of actual currency receipts from the available sources under the authority cited in agencies' letters of request. Agencies will be responsible for: (1) keeping expenditures within the limits of reservations established by Treasury in each country; (2) keeping conversion requests within the limits of amounts designated as available in accordance with international agreements; and (3) complying with any other limitations or restrictions imposed by law or by international agreement with respect to agency programs.

Section 3240 - Foreign Currency Fund Account Symbols and Titles

Foreign currency account symbols and titles will be assigned in accordance with guidance issued in I TFM 2-1500, Description of Accounts Relating to Financial Operations.

3240.10 - System of Foreign Currency Fund Account Classification and Symbolization

All accounts are identified with applicable fund groups and classified within fund groups through the assignment of alphanumeric symbols, the last three digits of which will be assigned within the blocks shown in the following table. For the purpose of this section, these three digits of the symbol will be referred to as the "main symbol." The symbol assigned to an account is determined after consideration of the Government's relationship to the source of the receipt and the availability of the currency for expenditure or other purposes. An "X" immediately preceding the main symbol is used to identify foreign currency funds which are handled outside the regular dollar accounts of the Government. A three-digit index number is assigned to identify the agency responsible for the account. This index number is included as the first three digits of the symbol assigned to an account by Treasury. When one agency administers all or part of a program on behalf of another agency, the account will show both agency index numbers. The

first three index numbers designate the performing agency, and the next three index numbers designate the authorizing or parent agency.

Symbolization

Account Classification	From	Through
Sales Accounts	100	499
Program Accounts (United States Use Accounts) - Not requiring appropriations	500	599
Holding Accounts	600	699
Program Accounts (Country Use Accounts) - Not requiring appropriations	700	899
Advances of Unfunded Foreign Currencies (Sales Accounts)	900	---

Section 3245 - Nature and Purpose of Foreign Currency Fund Accounts

3245.10 - Sales Accounts

There are two general types of sales accounts as follows:

a. Accounts established for nonrestricted currencies which are available for sale to any Government agency for official uses. The dollar expenditure equivalents of these currencies are charged to the appropriations and the resulting dollar proceeds are credited to receipt, appropriation, or fund accounts. These nonrestricted currencies are also available for accommodation exchange and for sales to U.S. citizens and nonprofit organizations for travel and other purposes in selected countries.

b. Program accounts (requiring appropriations) established for restricted currencies which are available for use only in connection with particular programs. The dollar expenditure equivalents of these currencies are charged to the appropriations and the resulting dollar proceeds are credited to receipt, appropriation, or fund accounts. These program accounts are further identified by the assignment of a three-digit suffix (e.g., 191) to the main symbol to designate the agency authorized to use the currencies.

3245.20 - Program Accounts Not Requiring Appropriations

Program accounts not requiring appropriations are established for restricted currencies which are available for use only in connection with particular programs. These currencies are authorized to be expended without charge to dollar appropriations of agencies. Within this group, symbols are assigned as follows: (1) main symbols from 500 through 599 are used primarily to designate United States use accounts; and (2) symbols from 700 through 899 are used primarily to distinguish country use accounts.

3245.30 - Holding Accounts

Holding accounts are used generally when the specific availability of currencies is not known at the point of collection. When the availability is determined, Treasury issues transfer authorizations moving the currencies from the holding account to one of the three categories of accounts described above.

3245.40 - Advances of Unfunded Foreign Currencies Account

This account (20X7900) is a special type sales account administered by Treasury for the purpose of making available all foreign currencies acquired, including currencies earmarked for specific programs (not requiring appropriations), by authorizing the use of these currencies for any program, subject to replacing such currencies when needed for the specific program.

Section 3250 - Preparation and Distribution of the X7000 File and DD Form 1363

The X7000 files will be used by disbursing officers to report their X7000 accountability and transactions.

Detailed instructions on the preparation and distribution of the X7000 file accountability are contained in Part IV of the Foreign Affairs Manual issued by the Department of State with the concurrence of the General Accounting Office and the Department of the Treasury. The DD Form 1363 is prepared by military disbursing officers monthly, and a copy must be forwarded to Treasury, no later than the twenty-fifth (25) calendar day following the close of the accounting month.

Appendices Listing

Appendix	Title	Summary
1	Report of Estimated Foreign Currency Collections and Expenditures	Explanation of Items to be Reported on "Report of Estimated Foreign Currency Collections and Expenditures"
2	Annual Report on Unfunded Foreign Currency Reservation Accounts	Explanation of Items to be Reported on "Annual Report on Unfunded Foreign Currency Reservation Accounts"

Appendix 1

Report of Estimated Foreign Currency Collections and Expenditures

Explanation of Items to be Reported on "Report of Estimated Foreign Currency Collections and Expenditures"

Estimated Foreign Currency Collections. This report will show the estimated amounts (stated in U.S. dollar equivalents) of foreign currencies to be acquired without purchase with dollars, under agreements with foreign governments and from other sources, providing all or part of such currencies are to be available for making expenditures chargeable to appropriations or other dollar fund accounts. More specifically, the estimate should include: (1) collections of currencies for credit to foreign currency accounts of Treasury (20X symbol accounts), and (2) collections of currencies which are authorized to be purchased immediately by disbursing officers (consular fees, repayments, etc.) and credited directly to receipt, appropriation, or other dollar fund accounts without passing through Treasury X7000 accounts. However, currencies for credit to those Treasury X7000 accounts which are available exclusively for transfer to agency X7000 accounts, without reimbursement to Treasury, should not be reported.

Currencies which are restricted, by international agreement or otherwise, for sale to particular agencies, or for sale for particular purposes, will be identified separately and the nature of the restrictions explained by use of footnotes.

This report should be detailed by country and source of currency (provision of law or agreements with foreign governments). The source should be identified by X7000 account symbol for all accounts for which a symbol has been established in the Treasury publication "Receipt, Appropriation, and Other Fund Account Symbols and Titles" or by later official announcement. Collections of currencies which are authorized to be credited directly to dollar fund accounts may be reported in two columns one for estimated credits to miscellaneous receipt accounts, and one for credits to all other accounts.

Estimated Foreign Currency Expenditures. The report will show estimated U.S. expenditures to be made in foreign currencies for the succeeding fiscal years. Foreign currencies expended from "X7000" accounts should not be included in the amounts reported as estimated expenditures.

Appendix 2

Annual Report of Unfunded Foreign Currency

Since the reservation account system is based on U.S. holdings of foreign currencies, all amounts shown in this report are U.S. dollar equivalents based on actual foreign currency amounts and not actual U.S. dollars. Figures are developed for all columns of this report, except the exchange rate adjustment, by using the foreign currency figure and translating to U.S. equivalents using the appropriate exchange rates as described later in this Appendix.

Name of Currency. Column (1) will identify the type of foreign currency being utilized. If one type of currency is being used in more than one country, such as CFA franc - Senegal, CFA franc - Ivory Coast, etc., identify each usage by individual country.

Appropriation. Column (2) will show the dollar appropriation symbol being utilized to purchase the foreign currency. These appropriations are usually referred to as "Special Foreign Currency Program Appropriations." There are also a few regular agency dollar appropriations involved, such as 12-2900 and 19-1128. If more than one appropriation is being used for the same type of currency, identify each on separate lines.

Balance October 1, Column (3) will show the U.S. dollar equivalent of foreign currency units on hand as of the close of the preceding fiscal year.

Reservation Certificates Issued (net). Show the net (issues less returns) U.S. dollar equivalent of foreign currency units received as authorized by FMS Form 6901 "Foreign Currency Reservation Certificate" identified as follows:

- **Within Country.** Column (4) will show the amount of receipts authorized for expenditure from which their availabilities were derived from within the same country.
- **Between Countries.** Column (5) will show the amount of receipts authorized for transfer and conversion from one country to another for which FMS Form 6911 "Foreign Currency Conversion and Transfer Voucher" was processed.

Expenditures (net). Column (6) will show net U.S. dollar equivalent of foreign currency expenditures (disbursements less repayments) reported monthly by disbursing officers on their SF 1221 "Statement of Transactions."

Exchange Rate Adjustment. Column (7) will show the U.S. dollar equivalent of differences caused by: (1) rate fluctuations; (2) the conversion of one currency to another; (3) withdrawals of currencies by Government disbursing officers at rates which vary from collection rates; and (4) other adjustments. Positive figures indicate increases; negative figures indicate decreases.

Balance September 30, Columns (8) and (9) will show the U.S. dollar equivalent and the related units of foreign currency on hand as of the close of the fiscal year. It should be noted that generally the U.S. dollar equivalent will not necessarily agree with the dollar appropriation undisbursed amount at the close of the same period. This difference is caused by the valuation of foreign currency activity at varying rates of exchange during the period.

Computing U.S. Dollar Equivalents. Translations of foreign currency units to U.S. dollar equivalents shall be at the prescribed exchange rates. The pertinent sections are as follows:

Type of Activity	Section
Opening balance (3) reservation certificates issued (net) - within country (4) and closing balance (8).	3230.20d
Expenditures (net) (6).	3230.20c
Reservation certificates issued (net) - between countries (5).	3230.20d

Reporting in dollars. Figures will be rounded to the nearest foreign currency and dollar unit, for example, 621.65 will be reported as 622.

Submission of reports. The report will be submitted as soon as possible after the close of the fiscal year, but no later than November 15, in an original and one copy, to Treasury (see Contacts page).

Contacts

Direct inquiries concerning this chapter to:

Funds Management Branch
Bureau of the Fiscal Service
Department of the Treasury
3700 East West Highway, Room 6D33
Hyattsville, MD 20782
Telephone (304) 480-5307