

DRAFT

PROPOSED ACCOUNTING
TRANSACTIONS FOR
FOREIGN CURRENCY

✱ PLEASE NOTE THAT THIS ILLUSTRATION IS A ROUGH DRAFT. WE NEED AGENCIES THAT HAVE THESE TYPE OF ACTIVITIES TO REVIEW AND PROVIDE US WITH COMMENTS.

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File: PURCH 2

PART I.

Assume Agency X does not have a disbursing authority and will use State Department's disbursing officer to make payments

DESCRIPTION	AGENCY X	STATE DEPARTMENT'S DISBURSING OFFICER
1) To record receipt of Agency X's appropriation, apportionment and allotment.	<u>Proprietary</u> 1010 FBWT 70 3100 Unexp app 70 <u>Budgetary</u> 4119 Other app realiz 70 4450 Unapportioned 70 4450 Unapportioned 70 4510 Apportionments 70 4510 Apportionments 70 4610 Allotment 70	<u>Proprietary</u> None <u>Budgetary</u> None
2) D.O. writes a Check issued by Treasury	<u>Proprietary</u> None <u>Budgetary</u> None	<u>Proprietary</u> 1010 FBWT???? 50 2310 Advances from others 50
3) To record disbursing officer purchasing foreign currency Treasury exchange rate \$1 = 4 Psos	<u>Proprietary</u> None <u>Budgetary</u> None	<u>Proprietary</u> 1200 Foreign Currency 50 1010 FBWT???? 50 <u>Budgetary</u> None
4) Agency X incurs expense (120 Psos) for services received from a foreign national. 120 Psos/4 = \$30	<u>Proprietary</u> 6100 Operating expense 30 2110 A/P 30 3100 Unexp App 30 5700 App used 30 <u>Budgetary</u> 4610 Allotment 30 4901 Exp Au – unpd 30	<u>Proprietary</u> None <u>Budgetary</u> None
5) On 10/2/x0, the Disbursing Officer makes the payment on behalf of the agency X and the agency's appropriation is charged. Agency X provides a voucher with financial information to allow State Department's D.O. to charge it to the appropriate appropriation.	<u>Proprietary</u> 2110 A/P 30 1010 FBWT 30 <u>Budgetary</u> 4901 Exp Au – unpd 30	<u>Proprietary</u> 2310 Advances from others 30 1200 F.Currency 30

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PART II.

Assume agency has a disbursing authority

DESCRIPTION	AGENCY X's Operating Fund	AGENCY X'S DISBURSING OFFICER (Treasury Fund Symbol ????)																																																																																
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<p>Treasury exchange rate \$1 = 4 Psos</p>	<p><u>Budgetary</u> 4901 Exp Au – unpd 30 4902 Exp Au – pd 30</p>	<p><u>Budgetary</u> ????</p>
<p>6) At the end of FY 9/30/x1, foreign currency (200 Psos – 120 Psos = 80 Psos) is revalued.</p> <p>Treasury exchange rate is \$1 = 6 Psos</p> <p>80 Psos X .25 = \$20 80 Psos x .1667 = <u>\$13.33</u> Loss 6.67</p>	<p><u>Proprietary</u> None</p> <p><u>Budgetary</u> None</p>	<p><u>Proprietary</u> 7290G O. Losses 6.67 1200 F. Currency 6.67</p> <p><u>Budgetary</u> None</p>