

CHAPTER 8

FOREIGN CASH TRANSACTIONS

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CHATER 8**FOREIGN CASH TRANSACTIONS**0801 OVERVIEW

080101. This volume reflects NASA policy on the use of U.S. Government funds in international programs. Included are bilateral program transactions with foreign countries and international organizations involving procurement, research, co-development, co-production, or other transactions which require: (1) the outlay of U.S. dollars or U.S. owned foreign currencies, or (2) the exchange of U.S. dollars and U.S. owned foreign currencies. The Office of the Chief Financial Officer should be contacted at the earliest possible time concerning any potential or pending negotiations, which will involve matters referred to in this section.

080102. Authority and References.

A. Treasury Publications and Guidance.

1. Treasury Financial Manual, Volume I TFM 2-3200. Foreign Currency Accounting and Reporting.
<http://www.fms.treas.gov/tfm/vol1/index.html#Part%204>

2. Treasury Financial Manual, Volume I Federal Agencies, 4-2000. Payment Issue Disbursing Procedures.
<http://www.fms.treas.gov/tfm/vol1/index.html#Part%204>

3. Treasury Financial Manual, Volume I 4-9000, Foreign Exchange.
<http://www.fms.treas.gov/tfm/vol1/index.html#Part%204>

4. Treasury Financial Manual, Volume I 5-6000, Disposition of Foreign Currency and Checks Drawn of Foreign Banks..
<http://www.fms.treas.gov/tfm/vol1/index.html#Part%204>

5. Treasury Financial Manual, Volume I TFM 6-8000, Cash Management.
<http://www.fms.treas.gov/tfm/vol1/index.html#Part%204>

0802 DISBURSEMENTS

080201. It is NASA's policy is to work through the State Department to process international payments. Centers will make arrangements through the Intra-Governmental Payment and Collection (IPAC) System to send funds to the Department of State (DOS) who will make the actual payment using IDD or SWIFT.

080202. Centers shall coordinate with the DOS to assure provisions are made for NASA to supply the necessary financial information needed for international payments. Below are factors to be prepared to assist DOS with:

A. Segregation by payment type as wire payments are not combined with check payments.

B. NASA Centers shall make cash transfers to DOS in United States Currency and coordination as needed by DOS on matters related to currency translation.

C. Wire payments use the Society for Worldwide Interbank Financial Telecommunications (SWIFT) system which is DOS' method of payment (see FMR Volume 15, Cash Management, 020404, International Payments B (SWIFT)). Include on the SF 1166 for SWIFT payments:

1. SWIFT Code.
2. Payee Name
3. Bank identifier number.
4. Bank name
5. Bank account number
6. Currency type.
7. Amount.
8. Invoice information.
9. Annotation it is for a wire payment.

D. For check payments include on the SF 1166:

1. Payee name.
2. Payee address.
3. Currency type.
4. Amount.
5. Invoice information.

E. Centers shall ensure IPAC payments to DOS abide by NASA and Treasury procedures for IPAC. (See FMR Volume 15 Cash Management, Chapter 7 Disbursements).

0803 FOREIGN EXCHANGE RECEIVED BY NASA

NASA generally does not receive foreign exchange (amounts paid in foreign currency). If foreign currency is received, NASA should coordinate with KFC to make prompt deposits.

0804 NEGOTIATING FINANCIAL ARRANGEMENTS

080401 Except for arrangements entered into for the sole purpose of implementing U.S. international monetary policy, Center CFOs will observe the following policies to ensure that:

A. U.S. dollars will be retained in the account of the U.S. Treasury until actually required for immediate disbursement to minimize interest cost on the public debt.

B. interest on U.S. Government funds will not be used to subsidize program activities.

080402. The policies are:

A. Center CFOs will not permit the withdrawal of funds from the account of the U.S. Treasury for transfer to any recipient country or organization, prior to the need for the funds as determined by the actual immediate funding requirements of the recipient to carry out the project. Monthly payments are the norm.

B. NASA's share of funding required to support a program will not be derived from interest earned on U.S. contributions. Any interest earned will be promptly deposited to receipt account "801435, General Fund Proprietary Interest, Not Otherwise Classified".

C. Requests from a foreign country or international organization for the temporary deposit and safekeeping of dollars in trust in an account of the U.S. Treasury will be decided by Treasury on an individual basis, based on the reasons therefore, the specific financial arrangements proposed, and the relevant political and financial considerations.