



Foreign Affairs Manual

4 FAM – Financial Management

Change Transmittal: FIN-414

Date: May 5, 2011

4 FAM 730 INVENTORY AND PROPERTY, PLANT, AND EQUIPMENT

Changes

- 4 FAM 738.1, Capitalization Criteria for Real Property:**
 - Capitalized real property leases.** The capitalization threshold for the Department's capitalized real property leases changed from \$250,000 to \$1 million.
- 4 FAM 738.3, Depreciation and Amortization for Real Property:**
 - Capital leases will now be amortized over the useful life of the asset, rather than just over the period of the lease, if capitalized under the criteria identified at 4 FAM 738.1, subparagraphs (3)(a) or (3)(b) and amortized over the period of the lease if capitalized under the criteria identified at 4 FAM 738.1, subparagraphs (3)(c) or (3)(d).
- Change Transmittal** has replaced the term Transmittal Letter. Change Transmittal was selected as being more appropriate in this age of electronic information transmission. The FAM volume's Change Transmittal acronym and numerical series remains in place.
- Revisions since the last update appear in *italic* and **dark magenta**. Other than formal titles, the italics will be removed the next time the material is updated. Only current changes will appear in italics. Italics provide a historical record of changes.
- Officers are reminded that Department-issued materials not codified in the Foreign Affairs Manual or its supplemental Foreign Affairs Handbook series generally have no regulatory validity (see 2 FAM 1115.2).

Filing Instructions for Paper Copies

- Remove and discard old subchapter 4 FAM 730 (CT:FIN-399, 04-16-2009;

48 pages) and replace it with revised subchapter 4 FAM 730 (47 pages).

2. After inserting the material in the binder, insert this Change Transmittal immediately following the CT checklist, then fill in the entry line for CT:FIN-414 and initial.

Distribution Notice

1. The Foreign Affairs Manual and Handbooks (unclassified) official version can be found on the State Department's Intranet site.
2. All posts and offices keeping paper versions of the Foreign Affairs Manual are responsible for maintaining the FAM on a current basis (see 2 FAM 1116.5).
3. Use **KFAM** and **AINF** TAGS on **all** communications on FAM/FAH issues; direct questions concerning issuance, validity, and updating to A/GIS/DIR. Direct questions concerning substance and interpretations to the office indicated at the end of this change transmittal letter.

(RM/FPRA/FP)