



DEFENSE SECURITY COOPERATION AGENCY

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AUG 15 2019

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
INTERNATIONAL AFFAIRS
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
INTERNATIONAL PROGRAMS
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR FOR SECURITY ASSISTANCE, DEFENSE FINANCE
AND ACCOUNTING SERVICE – INDIANAPOLIS OPERATIONS
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE LOGISTICS INFORMATION SERVICE
DIRECTOR, DEFENSE REUTILIZATION AND MARKETING
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DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE
AGENCY
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY

SUBJECT: Clarification to Letter of Offer and Acceptance (LOA) Document Assignment to
LOA Case Development Groups, Defense Security Cooperation Agency (DSCA)
Policy 19-34 [SAMM E-Change 439]

Reference: (a) Procedures for Offering Building Partner Capacity (BPC) Letters of Offer and
Acceptance (LOA), Defense Security Cooperation Agency (DSCA) Policy 18-28
[SAMM E-Change 385]

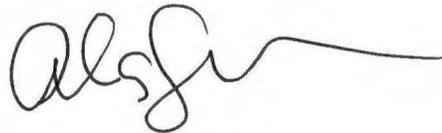
This memorandum makes administrative changes and provides clarity for use by
Implementing Agencies (IAs) in assignment of LOA case development Groups to LOAs,
Amendments and Modifications under the specific circumstances discussed below.

- a) The attached SAMM change to paragraph C5.4.2 clarifies language regarding appropriate Group assignment for Modifications to cases where the related LOA was processed as a Group C case. Modifications related to cases that were treated as Group C when the LOA was developed, are to be assigned as Group B consistent with Table C5.T6.
- b) The BPC Wait milestone, instituted in (a), is to be added to Table C5.T9. LOA Preparation Milestones.

- c) When reviewing the content of Building Partner Capacity (BPC) case documents, there could be confusion as to whether these documents should be assigned to the Group that closely pertains to what is being provided or whether these documents should always be assigned to BPC Group D. Since these cases are inherently BPC in nature, the LOA case preparation Group D categorization takes precedence over any other possible Group assignment. SAMM paragraph C5.4.2.5 has been added to clarify this matter.

- d) Previous policy mandated that training cases always be assigned to Group A for measuring LOA preparation performance. This did not provide adequate time for those documents which should more accurately be considered in the “defined” order Group. The attached SAMM change makes the distinction between actual “blanket order” training cases/lines and more complex “defined order” training cases/lines and provides flexibility for the IA to determine the appropriate categorization to properly develop the case.

The attached SAMM updates formalizes these changes. If you have any questions concerning this guidance, please contact DSCA-CPO, Mr. Kenneth D. Hittel, kenneth.d.hittel.civ@mail.mil, or (703) 697-9256.



Alan Gorowitz
Principal Director
Strategy, Plans and Programs

Attachments:
As stated

cc:
STATE/PM-RSAT
AFRICOM
CENTCOM
EUCOM
JFCOM
NORTHCOM
PACOM
SOCOM
SOUTHCOM
TRANSCOM
USASAC

TRANSCOM
USASAC
SATFA TRADOC
NAVICP
NETSAFA
AFSAC
AFSAT
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SECURITY ASSISTANCE MANAGEMENT MANUAL (SAMM), E-CHANGE 439

1. Revise C5.4.2. as follows:

Current wording	C5.4.2. LOA Preparation Timeframe. The time required to prepare LOAs varies with the complexity of the sale. Processing time for AOD Groups A, B, and C documents is measured from receipt of the LOR until the time they are offered to the purchaser (OFFERED in DSAMS). Processing time for Group A, B, and C Modifications will be measured from receipt of the LOR until the Modification is implemented. Processing time for AOD Group D documents is measured from receipt of the LOR until the "BPC Wait" milestone is entered in DSAMS by the CWD. Table C5.T9 . lists DSAMS Milestones. After DSCA has countersigned the LOA, the Implementing Agency (IA) sends a copy of it to the SCO to offer to the purchaser.
Revised wording:	C5.4.2. LOA Preparation Timeframe. The time required to prepare LOAs varies with the complexity of the sale. Processing time for Group A, B, and C documents is measured from receipt of the LOR until the time the document is offered to the purchaser (OFFERED in DSAMS). Processing time for Group A and B Modifications is measured from receipt of the LOR until the Modification is implemented (ISTATUS in DSAMS). Modification documents may not be assigned to Group C. Processing time for Group D documents is measured from receipt of the MOR until it reaches the "BPC Wait" milestone (BPCWAIT in DSAMS). Table C5.T9 . lists DSAMS Milestones. After DSCA has countersigned the LOA for Group A, B, or C cases, the Implementing Agency (IA) sends a copy of the case to the SCO to offer to the purchaser. After DSCA has countersigned the LOA for a Group D case, it is sent to the IA for USG signature and acceptance.

2. Add the following milestone to Table C5.T9.

Milestone	Definition
BPCWAIT	"BPC Wait" - DSAMS creates this milestone once the BPC LOA document moves to Review status.

3. Add C5.4.2.5. as follows:

New Wording	C5.4.2.5. Assignment of an LOA preparation group for BPC cases. Case documents that implement Building Partner Capacity (BPC) cases (see Chapter 15) must be categorized and follow the LOA development timelines as stipulated under Table C5.T6 . for Group D cases, i.e. 60 days for all BPC LOAs and associated Amendments and Modifications – regardless of the type
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of items included on the document. While these documents may be Blanket Order, Defined Order, or Defined Order "purchaser-unique" in nature, they are inherently BPC cases. Assignment of BPC case documents to Groups A, B, or C is not allowed.

4. Revise Table C5.T6. AOD Group Codes as follows:

Current wording:

Table C5.T6. AOD Group Codes

Group	Description
A	45 days for Blanket Order LOAs, training LOAs, Cooperative Logistics Supply Support Arrangements (CLSSAs), and associated Amendments and Modifications.
B	100 days for Defined Order LOAs, and associated Amendments, and Modifications. An LOA document assigned to AOD Group Code B can be re-assigned to AOD Group Code C if the IA later determines the LOA document meets the requirements of AOD Group Code C.
C	<p>150 days for Defined Order LOAs and associated Amendments considered "purchaser-unique" in nature. Associated Modifications to this group will be placed in Group B.</p> <p>The IA must identify why the LOA document is "purchaser-unique" by selecting one or more of the following CDEF factors or sub-factors and document the number of days these factors are expected to significantly impact the LOA development processing time.</p> <ol style="list-style-type: none"> 1. First-time purchase of a defense article or service by an FMS purchaser 2. First-time FMS purchase by a specific country or international organization with limited experience or knowledge of FMS processes/procedures 3. Case requires engineering, system integration, or special acquisition 4. Requested use of the system is different from its use by U.S. military forces (e.g., Navy ship missile to be fired from an Army or foreign country's helicopter) 5. Detailed release/disclosure coordination required <ol style="list-style-type: none"> 5a. Technology Release 5b. Policy Release 6. Complex pricing effort required <ol style="list-style-type: none"> 6a. Contractor Pricing Delays 7. Extraordinary coordination required inside or outside the IAs <ol style="list-style-type: none"> 7a. Congressional Notification

	<p>7b. Waiver Required 7c. Excess Defense Articles (EDA)</p> <p>8. Purchaser LOR Incomplete 8a. Changing Requirements</p> <p>9. Funding Issues or Delays</p> <p>10. Other (Unique circumstances requiring detailed milestone explanation in DSAMS)</p>
D	60 days for all Pseudo LOAs and associated Amendments and Modifications.

Revised wording:

Table C5.T6. LOA Case Development Group Assignments

Group	Description
A	45 days for Blanket Order LOAs, Blanket Order Training LOAs, Cooperative Logistics Supply Support Arrangements (CLSSAs), and associated Amendments and Modifications.
B	100 days for Defined Order LOAs (including training LOAs), and associated Amendments, and Modifications. An LOA document assigned to AOD Group Code B can be re-assigned to AOD Group Code C if the IA later determines the LOA document meets the requirements of AOD Group Code C.
C	<p>150 days for Defined Order LOAs, and associated Amendments considered "purchaser-unique" in nature. Associated Modifications to this group will be placed in Group B.</p> <p>The IA must identify why the LOA document is "purchaser-unique" by selecting one or more of the following CDEF factors or sub-factors and document the number of days these factors are expected to significantly impact the LOA development processing time.</p> <ol style="list-style-type: none"> 1. First-time purchase of a defense article or service by an FMS purchaser 2. First-time FMS purchase by a specific country or international organization with limited experience or knowledge of FMS processes/procedures 3. Case requires engineering, system integration, or special acquisition 4. Requested use of the system is different from its use by U.S. military forces (e.g., Navy ship missile to be fired from an Army or foreign country's helicopter)

	<ul style="list-style-type: none"> 5. Detailed release/disclosure coordination required <ul style="list-style-type: none"> 5a. Technology Release 5b. Policy Release 6. Complex pricing effort required <ul style="list-style-type: none"> 6a. Contractor Pricing Delays 7. Extraordinary coordination required inside or outside the IAs <ul style="list-style-type: none"> 7a. Congressional Notification 7b. Waiver Required 7c. Excess Defense Articles (EDA) 8. Purchaser LOR Incomplete <ul style="list-style-type: none"> 8a. Changing Requirements 9. Funding Issues or Delays 10. Other (Unique circumstances requiring detailed milestone explanation in DSAMS)
D	60 days for all BPC LOAs and associated Amendments and Modifications.