



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

**JUL 12 2005**

In reply refer to:  
I-05/007986

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Foreign Military Sales (FMS) Case-Related Manpower (DSCA 05-16)

FMS case-related manpower remains an issue of high visibility within DSCA. During the past several weeks, DSCA and the Military Departments have been engaged in several discussions regarding proper inclusion of manpower on Letter of Offer and Acceptance (LOA) documents. To assist with the processing of LOA documents, this memorandum is issued as a reminder of the current policy that applies to FMS case-related manpower.

The Security Assistance Management Manual (SAMM), Chapter 9, paragraph C9.4.2 states that it is critical that manpower efforts be properly accounted to verify associated costs. SAMM, Chapter 5, paragraph C5.4.9. provides further guidance regarding manpower on FMS cases. A summary of the SAMM guidance is as follows:

- A Manpower and Travel Data Sheet (MTDS) must accompany LOAs that contain manpower. The MTDS is also required for Amendments that change the scope of lines involving manpower, and for Modifications that increase the value of lines involving manpower. Figure C9.F1. of the SAMM is the mandatory MTDS format for manpower pricing. All manpower and travel pricing on the MTDS should be priced in the Defense Security Assistance Management System (DSAMS) – the information on the MTDS must match DSAMS. The worksheet should include all manpower being directly charged to the FMS case (e.g., U.S. Government, contractor, Working Capital Fund, etc.).
- Manpower for FMS programs is funded from one of three sources: the FMS administrative surcharge; program management lines (PMLs); or other FMS case lines. Table C5.T6. of the SAMM provides a description of manpower functions and how each function should be funded. Items listed under the “FMS Admin” column should not be included and/or priced on the FMS case as they are covered by the FMS administrative surcharge. Any request to deviate from the funding sources in the SAMM must be coordinated with DSCA (Business Operations/Comptroller and Policy, Plans, and Programs Directorates). To avoid processing delays, we recommend this coordination occur prior to submitting the LOA document for countersignature.

- Table C5.T7. of the SAMM identifies the types of sales where PMLs may or may not be used. A Line Item Description Note must be included on the FMS case to describe manpower functions being performed under this line – this description must be unique for each case.
- An auditable methodology must be used to document work each individual performs on a PML. Personnel charges must be identifiable by position number, employee identification number, or other traceable means.

All manpower-related policies are currently under review by DSCA. We hope to publish our revised guidance this year and will be updating the SAMM accordingly. Until new guidance is published, the paragraphs summarized above still apply. If you have any questions regarding this matter, please feel free to contact Mr. Steve Harris, (703) 604-6611/DSN 664-6611, e-mail [steve.harris@dsc.mil](mailto:steve.harris@dsc.mil) or Ms. Beth Baker, (703) 601-3839/DSN 329-3839, e-mail [beth.baker@dsc.mil](mailto:beth.baker@dsc.mil).



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