



DEFENSE SECURITY COOPERATION AGENCY
WASHINGTON, DC 20301-2800

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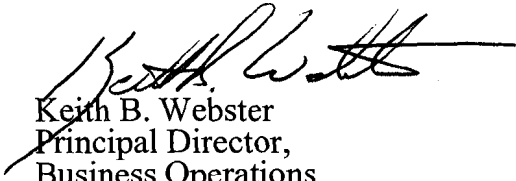
In reply refer to:
I-06/002849-CMP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Course Severability Procedures (DSCA 06-22)

Attached are current financial procedures for severability that apply to foreign student training funded with DoD appropriations available for new obligation for one fiscal year. These procedures were first published in FY2005 and remain in effect until further notice.

My point of contact for this action is Ms. Debbie Spencer at Debbie.Spencer@dscamail.mil, DSN 664-6577 or commercial, 703 604-6577.


Keith B. Webster
Principal Director,
Business Operations

Attach as stated

FUNDING PROCEDURES FOR COURSES THAT CROSS FISCAL YEARS

The following procedures apply to foreign student training funded with DoD appropriations available for new obligation for one fiscal year (i.e. Counterterrorism Fellowship Program (CTFP), Warsaw Initiative Funds (WIF), etc.). Under the Economy Act, DoD appropriations that are available for new obligation for only one fiscal year can only fund training provided by US federal agencies (including elements of DOD) for foreign students to the end of the fiscal year for which the funds are available.

Appropriations made available for obligation in the next fiscal year are required to fund the costs of any remaining portions of the training that continue after the start of the next fiscal year. This restriction does not apply to contractor provided training or U.S. agency training provided through contracted courses that cross fiscal years. Contractor training, including courses acquired by contract, may be paid from funds available at the time of contract award regardless of whether or not the training crosses fiscal years.

When training crosses a fiscal year, and is not provided by contract, the original funding can only pay course costs until the end of the FY. Beginning on the first day of the following fiscal year, course costs must be paid from current year appropriations (or a multiple year appropriation that is currently available for new obligations). Current appropriations will be used to fund both course costs, and travel and living allowances (TLA) for foreign students in training starting on the first day of the new fiscal year. Should a foreign student begin a course in one fiscal year and funds not become available in the next fiscal year to pay for the training costs attributable to that year, the student will not be allowed to continue any portion of the training that occurs after the end of the first FY, i.e., the year in which training began.

Each Military Department may choose to cost courses crossing fiscal years based on the actual needs of the schoolhouse conducting the training. Material and equipment costs may be charged at the beginning of the course. For example, if the training requires books, the cost of the books may be charged as a separate cost at the beginning of training.

If the Military Department is unable to determine course costs in this manner or finds that it is not effective or efficient to do so, it may charge costs based on a flat daily rate to be applied equally for each day of the course. Special activities, including educational travel events, should not normally be charged on this basis, but should be treated as a charge in the FY in which the event occurs. Travel and living allowance are currently calculated using a flat daily rate and will continue to be calculated in this manner.

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