



DEFENSE SECURITY COOPERATION AGENCY

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WASHINGTON, D.C. 20301-2800

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MEMORANDUM FOR THE 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
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INDIANAPOLIS OPERATIONS
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE LOGISTICS INFORMATION
SERVICE
DIRECTOR, DEFENSE REUTILIZATION AND MARKETING
SERVICE
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, NATIONAL GEOSPATIAL- INTELLIGENCE
AGENCY
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY

SUBJECT: Assignment of Code “G9” for Fiscal Year (FY) 2011 Pakistan Counterinsurgency
Capability Fund (PCCF), DSCA Policy 10-66 [SAMM E-Change 173]

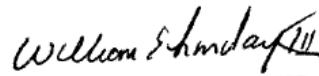
This memorandum assigns the use of code “G9” to track FY2011 PCCF provided under the Continuing Appropriations Act (CAA) 2011, P.L. 111-242. Effective immediately, SAMM Table C4.T2., Country and International Organization Codes and FMS Eligibility, is updated to add code “G9” to track FY2011 PCCF provided under this authority. These funds will remain available for obligation until December 3, 2010. As a matter of policy, all Pseudo Letter of Offer and Acceptance (LOA) documents using the “G9” code should be fully reconciled and closed on or before July 31, 2016.

Once the CAA expires and the FY2011 National Defense Appropriations Act is issued, this memorandum, to include the instructions for preparing “G9” cases and LOA notes, will be revised to cite the appropriate public law. All cases in any phase of the LOA process, development, writing, or review, will need to be restated and all implemented cases will need to be modified prior to case closure to replace references to CAA P.L. 111-242 with the FY2011 DoD appropriations public law.

Attached are specific instructions and notes for preparing PCCF LOAs under this authority. The following information applies and will be included in the automated version of the SAMM found on the DSCA Web Page as SAMM E-Change 173:

Organization	FMS Code	Combatant Command \\1	Regional Grouping \\2	FMS/ AECA Eligible \\3	Accel. Case Closure Eligible
Supplemental Appropriations Act for Fiscal Year 2009 (Public Law 111-32) and Continuing Appropriations Act, 2011 (Public Law 111-242) for Pakistan Counterinsurgency Capability Fund	G9	CE	NR	AECA Only	N/A

If you have any questions concerning this guidance, please contact Ms. Marie Kokotajlo, DSCA-STR/POL, marie.kokotajlo@dscamilitary.com, (703) 604-1107.


William E. Landay III
 Vice Admiral, USN
 Director

Attachment:
 As stated

Instructions and Notes for Preparing PCCF (P.L. 111-32/CAA P.L. 111-242) LOAs

Contracts to carry out a Pseudo LOA may not rely on Title 10 United States Code (U.S.C.) Section 2304 (c) (4), implemented by the Federal Acquisition Regulation (FAR) 6.302-4, International Agreement (directed source), as authority to award using other than full and open competition. Any sole source purchases must be justified and approved in accordance with other statutory authority found in Title 10 U.S.C. using procedures applicable to United States Government appropriated-funded purchases.

Instructions for Preparing PCCF PL 111-32/CAA PL 111-242 LOAs
1. Case Identifier. DSCA (Strategy Directorate) will assign a case identifier composed of the program code, the Implementing Agency code of the DoD Component providing the support, and a three-letter activity designator. Implementing Agencies have identified unique activity designators to meet their requirements in SAMM Figure C5.F5.
2. Nickname Field. Insert the country/activity receiving the support, the Pseudo case authority, and then the text “(Non-FMS).” E.g. “PCCF, PL 111-32/CAA PL 111-242 (Non-FMS).”
3. Purchaser’s Reference Field. Include the following statement in the Purchaser’s Reference Field of the Customer Request: “Based on funds provided and the written request from [insert Program Originator’s name (e.g., ODR-P, Combatant Commands, etc.) and LOR/MOR reference number] to the Defense Security Cooperation Agency, dated [insert date of the written request]. The legal authority is PCCF, PL 111-32 and CAA PL 111-242. See Note [insert LOA Authority for Sale note number] for additional information.”
4. Terms of Sale Field. Insert “Cash with Acceptance, PL 111-32/CAA PL 111-242”
5. Authority Field. Insert “PCCF PL 111-32/CAA PL 111-242” (in DSAMS only).
6. Authority Fiscal Year. Insert “FY 2011” (in DSAMS only).
7. S1 Description Field. Insert the country code of the benefitting country (i.e. “PK”) followed by a dash and then a short description of the articles and services being provided. (This field allows no more than 45 characters.)
8. Purchaser Signature Field (Customer Signatory Name on Distribution Tab of Case Detail). Insert “PL 111-32/CAA PL 111-242 (Non-FMS - No Purchaser Signature Required)”
9. Purchaser Mailing Address. Insert “Department of Defense”

Instructions for Preparing PCCF PL 111-32/CAA PL 111-242 LOAs

10. MASL. Use valid existing MASLs for items being transferred or contact DSCA to approve new MASLs, if required.

11. Delivery Term Code. Use the Delivery Term Code (DTC) for Defense Transportation System that will provide shipment all the way into recipient country. This is generally accomplished through DTC 7 or, in limited cases, DTC 9.

12. Offer Expiration Date. The Offer Expiration Date on the LOA should be no later than the last date required to ensure funds are fully expended in time to meet case reconciliation and closure deadlines.

13. Benefitting Country. Pakistan.

Notes for PCCF PL 111-32/CAA PL 111-242 LOAs

Note Name	Note Usage	Note Text
Authority for Sale – PL 111-32 and CAA PL 111-242 Programs	Mandatory for all PL 111-32/CAA PL 111-242 Pseudo LOAs.	“This sale is made under the authority of PL 111-32/CAA PL 111-242 and the United States Arms Export Control Act (AECA). Any reference in this LOA to the United States AECA, to defense articles, and to defense services shall be construed instead to be a reference to PL 111-32/CAA PL 111-242 and the AECA. Any reference in this LOA to “purchaser” shall be construed as a reference to the Department of Defense.”
Case Closure – PL 111-32 and CAA PL 111-242 Programs	Mandatory for all PL 111-32/CAA PL 111-242 Pseudo LOAs.	“This case must be fully reconciled and closed by July 31, 2016.”

<p>Funds Expiration, Purpose, Availability and Amount – PL 111-32 and CAA PL 111-242 Programs</p>	<p>Mandatory for all PL 111-32/CAA PL 111-242 Pseudo LOAs.</p>	<p>“The funds financing this LOA are subject to all requirements and restrictions under the heading of PL 111-32 and CAA PL 111-242.</p> <ul style="list-style-type: none"> a. Funds were obligated upon signature of the FAA Section 632(b) Memorandum of Agreement dated [insert date] or other acceptance document. b. The funds are expended from the financing source upon transfer into the FMS Trust Fund, and remain available indefinitely for disbursement consistent with the purposes for which they were appropriated, obligated and expended. c. Total funds available for expenditure against this LOA are limited to the value of [insert dollar value]. d. Amendments or modifications of this LOA are only authorized with DSCA written approval. e. General terms of Section 632 MOAs may require the return to the Department of State (DOS) of funds not used by a certain date, unless directed otherwise by the DOS. This MOA does not specify such a date.”
<p>Nonrecurring Costs – USG Appropriation</p>	<p>Mandatory for LOAs when an NC charge has been established, but the case is financed by a USG appropriation.</p> <p>Mandatory for Amendments or Modifications when the case is financed by a USG appropriation and (1) lines items are added and the NC charge applies to the new lines; or (2) quantities are increased on line items for which NC charges have been established.</p> <p>See Chapter 9, C9.4.5.</p>	<p>“Nonrecurring Costs (NC) have been established for line item(s) [insert line item numbers]. These charges are not included on this case because the case is financed with a USG appropriation.”</p>

<p>Title and Custody Transfer - PL 111-32 and CAA PL 111-242 Programs</p>	<p>Mandatory for all PL 111-32/CAA PL 111-242 Pseudo LOAs.</p>	<p>“The U.S. Government will retain title to and custody of the defense articles to be transferred under the authority of PL 111-32 and CAA PL 111-242 (hereinafter "program materiel") until delivery/receipt by the recipient country. A designated U.S. Government representative will confirm and document delivery/receipt of the program materiel to an authorized recipient country representative or agent. The U.S. Government representative will keep documentation showing when, where, and to whom delivery was made and will provide a copy of this documentation to the Defense Security Cooperation Agency and the [insert U.S Army Security Assistance Command, Navy International Programs Office, or Deputy Under Secretary of the Air Force/International Affairs].”</p>
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