



DEFENSE SECURITY COOPERATION AGENCY

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09 AUG 2013

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
SERVICE
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE
AGENCY
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY

SUBJECT: Revision to Letter of Offer and Acceptance (LOA) Document Processing
Performance Metric, DSCA Policy 13-16 [SAMM E-Change 222]

Reference: DSCA Policy 10-18, "Revised Letter of Offer and Acceptance (LOA) Document
Processing Performance Metric," March 26, 2010

The referenced DSCA Policy established an LOA document processing goal of transmitting 85 percent of LOAs and Amendments in 4 Anticipated Offer Date (AOD) case groupings to the purchaser on or before the assigned or customer-negotiated AOD. The dates associated with these AODs were set early in our drive to improve the visibility of our FMS process. They were intended to give our partners better insight as to when they might expect an LOA to be delivered. Through the hard work of the Implementing Agencies (IAs) we have seen a slow improvement in reaching the 85% goal.

As we continued to evaluate our performance, we began to see that the AOD timelines that were used in the previous policy were too conservative and were actually working against our goal of improving the speed, flexibility and responsiveness of the FMS system. After a detailed review of our performance across a number of workforce and process factors, we recognized that we needed to make a change to the previous policy.

This memorandum changes the AOD case group times and supersedes those found in the referenced policy. The new AOD times will be applicable to all LOA documents (Basic, Amendments, and Modifications) for Letters of Request (LORs) received on or after August 15,

2013. The LOA document processing performance metric for all LOA documents assigned the new AOD times will be measured from LOR receipt to offer (for LOAs and Amendments) and from LOR receipt to implemented (for Modifications).

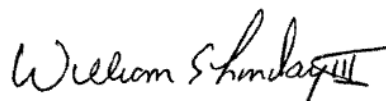
LOA documents based upon LORs received prior to August 15, 2013, will continue to be measured by the previous AOD times as established by above reference; however, any Amendments or Modifications to those LOA documents will be assigned the new AOD times when the corresponding LOR is received on or after August 15, 2013.

The goal is to offer (or implement for Modifications) 100 percent of all LOA documents to the customer in AOD categories A, B, and D within 30 days from LOR receipt; and 100 percent of AOD category C documents within 90 days from LOR receipt. Exceptions to this policy may be made on an individual document basis and must be documented in DSAMS.

This is an aggressive but achievable performance goal for our FMS process. It is based on actual performance measured in previous years coupled with improvements to the FMS process and increases to the workforce and other resources that have been provided over the past 5 years. Some changes to our existing process will likely be required in order to meet this new goal. Everyone is encouraged to identify barriers that prevent us from meeting the new goal, provide the analysis that demonstrates the delay caused by such barriers, and recommend changes that can be made to overcome these barriers.

Of the many areas for improvement that DoD leadership and our International Partners have requested in the FMS process, speed remains the one area where we have not been able to satisfy their expectations. The status quo is not acceptable in the current Security Cooperation environment and will negatively impact our ability to support the building and strengthening of our military – to – military relationships, unless we quickly move toward the performance goals set out in this policy change. Like many other areas that have seen remarkable improvement through the effort of the Security Cooperation community, I am confident that you will rapidly meet these goals as well.

The attachment updates Chapter 5 of the Security Assistance Management Manual (SAMM) to reflect the new changes. If you have questions concerning the attached SAMM policy, please contact Mr. Kent Bell, DSCA-STR/POL, kent.bell@dca.mil, (703) 604-6612.



William E. Landay III
Vice Admiral, USN
Director

Attachments:
As stated

cc:
STATE/PM-RSAT
AFRICOM
CENTCOM
EUCOM
JFCOM
NORTHCOM
PACOM
SOCOM
SOUTHCOM
TRANSCOM
USASAC
SATFA TRADOC
NAVICP
NETSAFA
AFSAC
AFSAT
MDA
DISAM

Security Assistance Management Manual (SAMM), E-Change 222

1) Change Section C5.4.2. to read as follows:

C5.4.2. LOA Preparation Timeframe. The time required to prepare LOAs varies with the complexity of the sale. Processing time for LOAs and Amendments is measured from receipt of the LOR until the time it is offered to the purchaser (Document Sent, (DOCMTSENT in DSAMS)). 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. Processing time for Modifications will be measured from receipt of the LOR until the Modification is implemented.

C5.4.2.1. Assignment of an Anticipated Offer Date (AOD). Upon creation of a case document, the IA must enter a Case Category Code and assign an AOD Group Code in DSAMS regardless of whether the LOR has been marked complete or associated to a case document. DSAMS will not allow the case document to be saved until both codes have been entered. Once entered in DSAMS, the Case Category Code and AOD Group Code cannot be deleted but can be revised by the IA. DSAMS will automatically assign an AOD derived from the AOD Group Code to every case document when the IA enters an LOR receipt date and associates the LOR to a case document. The DSAMS-generated default AOD is designated according to the following case groupings shown in Table C5.T6.

Table C5.T6. AOD Group Codes

Group	Description
A	30 days for Blanket Order LOAs, training LOAs, Cooperative Logistics Supply Support Arrangements (CLSSAs), and associated Amendments and Modifications. The IA can change the date to less than 30 calendar days if appropriate.
B	30 days for Defined Order LOAs, and associated Amendments, and Modifications. The IA can change the date to less than 30 calendar days if appropriate.
C	<p>90 days for Defined Order LOAs and associated Amendments that are considered “purchaser-unique” in nature. The IA can change the date to less than 90 calendar days if appropriate. 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 of the below 8 factors.</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

Group	Description
	<ul style="list-style-type: none"> 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 6. Complex pricing effort required 7. Extraordinary coordination required inside or outside the IAs 8. Other (must be explained by detailed milestone comments in DSAMS)
D	30 days for all Pseudo LOAs and associated Amendments and Modifications. The IA can change the date to less than 30 calendar days if appropriate.

C5.4.2.2. AOD Measurement. The IA should offer or implement 100 percent of its LOA documents on or before the assigned AOD. The IA will inform the purchaser of the AOD and of any subsequent changes. The most current AOD will also be posted to the Security Cooperation Information Portal.

C5.4.2.3. AOD for Restatements. There may be times when major changes need to be made to a document after it has been countersigned and offered to the purchaser. If the purchaser wants to retain the existing designator (instead of cancelling the offer and issuing a new case), the offered case may be restated. Restatements can be made as long as the document is in “offered” status, the purchaser has not yet signed the case, the Offer Expiration Date (OED) has not yet expired, and all changes are consistent with FMS policies and procedures. See Section C6.7.1.4. for more information on restatements. DSAMS will automatically revise the original customer request status of an LOA document from LOR Complete to LOR Restate once an IA selects the restatement tool in DSAMS. The IA will revise the customer request status in DSAMS from LOR Restate to LOR Complete. DSAMS will not allow the MILDEP Approval (MILAP) on the restated LOA document without the customer request status being marked LOR complete. DSAMS will automatically assign a new AOD to the restatement based upon the case grouping selected using the date of the LOR Restate as the LOR Receipt date.