



**DEFENSE SECURITY COOPERATION AGENCY**  
2800 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-2800

13 JAN 2011

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  
FINANCE AND ACCOUNTING SERVICE –  
INDIANAPOLIS OPERATIONS  
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY  
DIRECTOR, DEFENSE LOGISTICS AGENCY  
DIRECTOR, DEFENSE LOGISTICS INFORMATION  
SERVICE  
DIRECTOR, DEFENSE LOGISTICS AGENCY  
DISTRIBUTION SERVICES  
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY  
DIRECTOR, NATIONAL GEOSPATIAL- INTELLIGENCE  
AGENCY  
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,  
NATIONAL SECURITY AGENCY

**SUBJECT:** Addition of Fiscal Year (FY) 2011 Authority to the Coalition Readiness Support Program (CRSP), Code “E7,” DSCA Policy 11-01

**REFERENCE:** DSCA Memorandum dated March 15, 2010, Subject: Addition of Fiscal Year (FY) 2009 and FY 2010 Authorities to the Coalition Readiness Support Program (CRSP), Code “E7,” DSCA Policy 10-19 [SAMM E-Change 160]

DSCA Memorandum dated February 18, 2009, Subject: Assignment of Code “E7” for Fiscal Year (FY) 2008 Authorities Relating to the Coalition Readiness Support Program (CRSP), DSCA Policy 09-02 [SAMM E-Change 126]

This memorandum adds Fiscal Year (FY) 2011 CRSP to the authorities which shall be tracked under Code “E7” and updates the March 15, 2010, DSCA Memorandum referenced above. Effective immediately, CRSP funds authorized under the FY2011 Continuing Appropriations and Surface Transportation Extensions Act (CAA), P.L. 111-322, shall be tracked with Code “E7,” along with previously authorized funding provided under the FY2008

Supplemental Appropriations Act (War Supplemental), P.L. 110-252, the FY2009 Supplemental Appropriations Act, P.L. 111-32, and the FY2010 DoD Appropriations Act, P.L. 111-118. The DSCA Operations Directorate will notify the Implementing Agency as to which public law applies to each CRSP case and will request that the public law be entered in DSAMS case remarks.

FY2011 CAA funds will remain available for obligation until March 4, 2011. Once the CAA expires, this memorandum, to include the instructions for preparing "E7" cases and LOA notes, will be revised to cite the new appropriations 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. 111-322 with the FY2011 final appropriation. Attached are revised instructions and notes for preparing CRSP LOAs.

If you have any questions concerning this guidance, please contact Ms. Marie Kokotajlo, DSCA-STR/POL, [marie.kokotajlo@dca.mil](mailto:marie.kokotajlo@dca.mil), (703) 604-1107.



Scott Schless  
Principal Director  
Strategy

Attachment:  
As stated

**Instructions and Notes for Preparing CRSP LOAs (P.L. 110-252, P.L. 111-32, P.L. 111-118, and CAA P.L. 111-322)**

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.

<b>Instructions for Preparing CRSP LOAs</b>
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., “CRSP, CAA PL 111-322 (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 CRSP [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322]. See Note [insert LOA Authority for Sale note number] for additional information.”
4. Terms of Sale Field. “Cash with Acceptance, [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322].”
5. Authority Field. “CRSP [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322].” (DSAMS only).
6. Authority Fiscal Year. “FY 2008,” “FY 2009,” “FY 2010” or “FY 2011” (DSAMS only).
7. S1 Description Field. Insert the country code of the recipient country (e.g., “BN”) 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). “CRSP, [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322] (Non-FMS - No Purchaser Signature Required)”

<b>Instructions for Preparing CRSP LOAs</b>
9. Purchaser Mailing Address. Insert “Department of Defense”
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 the funds are required to ensure they are obligated prior to the funds expiring.
13. Benefitting Country. For supplies and equipment enter program code “E7.” For training enter country code of recipient country.

<b>Notes for CRSP LOAs</b>		
<b>Note Name</b>	<b>Note Usage</b>	<b>Note Text</b>
Authority for Sale – CRSP	Mandatory for all CRSP LOAs	“This sale is made under the authority of [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322] 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 [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322] and the AECA. Any reference in this LOA to “purchaser” shall be construed as a reference to the Department of Defense.”
Case Closure – CRSP	Mandatory for all CRSP LOAs	“The estimated closure date is 36 months after projected final delivery or completion of the underlying contract(s), as applicable, whichever occurs later.”

<p>Funds Expiration, Purpose, Availability and Amount – CRSP</p>	<p>Mandatory for all CRSP LOAs</p>	<p>“The funds financing this LOA remain available until expended and are subject to all requirements and restrictions under the heading of Coalition Readiness Support Funds, [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322].</p> <ul style="list-style-type: none"> <li>a. These funds provide specialized training, supplies and equipment for loan on a non-reimbursable basis.</li> <li>b. The funds carry the same time, purpose, and availability restrictions associated with fund source X 0100 [insert 2008, 2009, 2010 or 2011] DoD Operations and Maintenance (O&amp;M) or other funds that may be available for use starting in FY [insert 2008, 2009, 2010 or 2011].</li> <li>c. Total funds available for expenditure against this LOA are limited to the value of [insert dollar value].</li> <li>d. Amendments or modifications of this LOA are only authorized with DSCA written approval.</li> </ul>
<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) line 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>

Title and Custody Transfer - CRSP	Mandatory for all CRSP LOAs	“The U.S. Government will retain title to the defense articles indefinitely and will transfer custody to the coalition forces supporting U.S. military operations in Iraq and Afghanistan under the authority of [insert PL 110-252, PL 111-32, PL 111-118, or CAA PL 111-322]. The defense articles will be loaned on a non-reimbursable basis. 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].”
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