

01 FEB 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: Revise Code "G9" for Fiscal Year (FY) 2011 Pakistan Counterinsurgency Capability Fund (PCCF), DSCA Policy 11-07, [SAMM E-Change 181]

REFERENCE: DSCA Memorandum dated November 23, 2010, 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 revises the referenced memorandum to replace the FY2011 Continuing Appropriations Authority (CAA) (P.L. 111-242) with FY2011 CAA (P.L. 111-322).

FY2011 PCCF funds will be obligated upon signature of an FAA, Section 632(b) Memorandum of Agreement (MOA) and transferred into the FMS Trust Fund. FY11 CAA funds remain available until expended.

Once the CAA expires, this memorandum, to include the instructions for preparing "G9" cases and LOA notes, will be revised to cite the new appropriations public law. All "G9" cases in any phase of the LOA process, development, writing, or review, will need to be revised and all

implemented cases will need to be modified prior to case closure to reflect the FY2011 final appropriation. As a matter of policy, all LOA documents using the "G9" code should be expended, as well as fully reconciled and closed, on or before July 31, 2017.

Case preparation instructions and notes are attached to this memorandum and will be included in the automated version of the SAMM found on the DSCA Web Page as SAMM E-Change 181. Table C4.T2 of the automated version of the SAMM is revised as follows:

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 111-322) 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, <u>marie.kokotajlo@dsca.mil</u>, (703) 604-1107.

Scott Schless

Scott Schless Principle Director Strategy

Attachment: As stated

Instructions and Notes for Preparing PCCF (P.L. 111-32/CAA P.L. 111-322) 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 111-322 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. "PCCF, PL 111-32/CAA PL 111-322 (Non-FMS)"

3. Purchaser's Reference Field. "Based on funds provided and the written request from [insert Program Originator's name (e.g., ODR-P, 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 111-322. See Note [insert LOA Authority for Sale note number] for additional information."

4. Terms of Sale Field. "Cash with Acceptance, PL 111-32/CAA PL 111-322"

5. Authority Field. "PCCF PL 111-32/CAA PL 111-322" (in DSAMS only).

6. Authority Fiscal Year. "FY 2011" (in DSAMS only).

7. S1 Description Field. "PK – [insert 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). "PL 111-32/CAA PL 111-322 (Non-FMS - No Purchaser Signature Required)"

9. Purchaser Mailing Address. Insert "Department of Defense"

10. MASL. Use valid existing MASLs or contact DSCA to approve new MASLs, if they are 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, unless DTC 9 suffices.

Instructions for Preparing PCCF PL 111-32/CAA PL 111-322 LOAs

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 111-322 LOAs					
Note Name	Note Usage	Note Text			
Authority for Sale – PL 111- 32 and CAA PL 111-322 for PCCF	Mandatory for all PL 111-32/CAA PL 111- 322 PCCF LOAs.	"This sale is made under the authority of PL 111- 32/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 PL 111-32/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."			
PL 111-32 and	Mandatory for all PL 111-32/CAA PL 111- 322 PCCF LOAs.	"This case must be fully reconciled and closed by July 31, 2017."			

Funds	Mandatory for all PL	"The funds financing this LOA are subject to all
Expiration,	111-32/CAA PL 111- 322 PCCF LOAs.	requirements and restrictions under the heading of Pakistan Counterinsurgency Capability Fund (PCCF), PL 111-32 and CAA PL 111-322.
		 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 were expended from the financing source upon transfer into the FMS Trust Fund, and remain available 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."
Nonrecurring Costs – USG Appropriation	Mandatory for LOAs when an NC charge has been established, but the case is financed by a USG appropriation.	"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."
	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.	
	See Chapter 9, C9.4.5.	

Title and Custody Transfer - PL 111-32 and CAA PL 111- 322 for PCCF	Mandatory for all PL 111-32/CAA PL 111- 322 PCCF LOAs.	"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 111-322 (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]."
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