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MEMORANDUM FOR DEPUTY UNDER SECRETARY OF THE AIR FORCE
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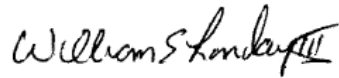
SUBJECT: Revision to Letter of Offer and Acceptance (LOA) Document Processing
Procedures, DSCA Policy 11-46 [SAMM E-Change 187]

Reference: DSCA Policy 10-18, Revised Letter of Offer and Acceptance Document Processing
Performance Metric, March 26, 2011

Above reference established an LOA document processing goal of transmitting 85 percent of LOAs and Amendments in four Anticipated Offer Date (AOD) case groupings to the purchaser on or before the AOD. The intent of establishing a new performance metric and AOD was to increase responsiveness to the purchaser by providing a more realistic LOA processing metric based upon the type of case being provided. The AOD also provides more transparency to the purchaser since the AOD is reflected in the Security Cooperation Information Portal (SCIP).

During the first year this performance measure was in use it was observed that AODs were not consistently being entered into the Defense Security Assistance Management System (DSAMS) as required. This made it impossible to determine whether the LOA processing performance was meeting the established 85 percent goal of LOA documents being offered on or before the AOD. To address this problem, system changes have been made to DSAMS so that AODs will be automatically generated and assigned by DSAMS for every LOA document. The Implementing Agencies may revise the DSAMS-generated AOD as described in the attachments.

Attachment 1 updates Chapter 5 of the Security Assistance Management Manual (SAMM) to reflect the DSAMS changes. Attachment 2 provides revised detailed procedures for processing LOA documents using the AOD performance measure. If you have questions concerning the attached SAMM policy, please contact Mr. Kent Bell, DSCA-STR/POL, kent.bell@dscamilitary.com, (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

ATTACHMENT 1

Security Assistance Management Manual (SAMM), E-Change 187

Change SAMM Chapter 5, 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 and the clarity of the purchaser's LOR. Processing time for LOAs and Amendments is measured by the length of time from when the LOR is considered complete (i.e., sufficiently detailed to begin LOA Data (LOAD) development), until release of the LOA ("Document Sent" (DOCMNTSENT) in DSAMS) and is based on the Anticipated Offer Date (AOD) that the Implementing Agency assigns to the LOA. Processing time for Modifications will be measured by the length of time from when the LOR is considered complete until the modification is implemented.

C5.4.2.1. Assignment of an AOD. Upon creation of a case document, the Implementing Agency must enter a Case Category Code and assign an AOD Group Code in DSAMS. These codes must be entered 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 Implementing Agency. DSAMS will automatically assign an AOD to every case document when the Implementing Agency enters an LOR Complete date and associates the LOR to a case document.

The DSAMS-generated AODs is designated according to the following case groupings:

Group	Description
A	75 days for Blanket order LOAs, training LOAs, Cooperative Logistics Supply Support Arrangements (CLSSAs), and associated Amendments and Modifications. The Implementing Agency can change the date to less than 75 calendar days if appropriate, but cannot exceed 75 days without justification, which must be documented in DSAMS milestone comments.
B	120 days for Defined order LOAs, and associated Amendments, and Modifications. The Implementing Agency can change the date to less than 120 calendar days if appropriate; but cannot exceed 120 days without justification, which must be documented in DSAMS milestone comments.
C	121 days for Defined Order LOAs and associated Amendments that are considered "purchaser-unique" in nature. The Implementing Agency may revise the AOD to more than 121 days based on factors (1) through (8) below. Associated Modifications will be placed in either Group B as Modifications generally do not require more than 120 days to prepare. (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

Group	Description
	<ul style="list-style-type: none"> <li data-bbox="347 254 1263 296">(3) Case requires engineering, system integration, or special acquisition <li data-bbox="347 306 1360 422">(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) <li data-bbox="347 432 1019 474">(5) Detailed release/disclosure coordination required <li data-bbox="347 485 805 527">(6) Complex pricing effort required <li data-bbox="347 537 1360 611">(7) Extraordinary coordination required inside and/or outside the Implementing Agencies <li data-bbox="347 621 1295 663">(8) Other (must be explained by detailed milestone comments in DSAMS)
D	<p data-bbox="334 695 1393 873">75 days for all Pseudo LOAs and associated Amendments and Modifications. The Implementing Agency may shorten or lengthen the DSAMS-generated AOD as soon as information and/or conditions make AOD determination possible; e.g., receipt of contracting, funding, or other guidance and information needed to determine when the document will be approved.</p>

C5.4.2.2. AOD Changes. Changes to the AOD will be permitted on a case-by-case basis and not as a matter of routine. The Implementing Agency will determine who has the authority to change an AOD. Detailed milestone comments will be entered when an AOD is changed. The Implementing Agency should transmit or implement at least 85 percent of their total number of LOA documents on or before the assigned AOD. The Implementing Agency will inform the purchaser of the AOD and of subsequent changes.

ATTACHMENT 2

Guidelines for the LOA Processing Metric

1. Revised LOA Metric Overview. The AOD will be established and the measurement will begin when (1) the LOR is entered in the Defense Security Assistance Management System (DSAMS) as complete, meaning it is sufficiently detailed to begin LOA Data (LOAD) development, (2) the case has been initialized in DSAMS and (3) the LOR has been associated to a case document. It will end when the LOA or Amendment is released to the purchaser using the “Document Sent” (DOCMNTSENT) milestone in DSAMS. Modifications will be measured by the length of time from when the LOR is entered as complete until they are implemented. The AOD for LOAs, Amendments, and Modifications will fall into case groupings based on the type of case. The new metric will be a measurement of how successful a case manager is in meeting his or her own target date (i.e., the AOD). This gives the individual case manager and his/her Implementing Agency the flexibility to establish a date for offering each LOA document based on experience factors with the purchasing country or international organization, the type of equipment or services requested, and/or the date requested by the purchaser. The measure will apply to all documents (Basic LOAs, Amendments, and Modifications) and to blanket order, training, and defined order cases (to include “Pseudo” cases). The Implementing Agency will inform the purchaser of the AOD and of subsequent changes by written correspondence once an AOD has been established.
2. Anticipated Offer Dates (AODs). DSAMS will automatically generate the AOD for all case groups; however, the Implementing Agency may change the AOD as described below in paragraph 3.
3. Case Groupings. FMS case documents will be placed in one of four groupings:

Group	Description
A	Blanket Order LOAs, training LOAs, Cooperative Logistics Supply Support Arrangements (CLSSAs), and associated Amendments and Modifications. DSAMS will generate an AOD of 75 calendar days following the date the LOR is shown in DSAMS as “Complete.” The Implementing Agency can change the date to less than 75 calendar days if appropriate, but cannot exceed 75 days without justification, which must be documented in DSAMS milestone comments.
B	Defined order LOAs, Amendments, and Modifications. DSAMS will generate an AOD of 120 calendar days following the date the LOR is shown in DSAMS as “Complete.” The Implementing Agency can change the date to less than 120 calendar days if appropriate, but cannot exceed 120 days without justification, which must be documented in DSAMS milestone comments.
C	Defined order LOAs and associated Amendments that are considered “purchaser-unique” in nature. DSAMS will generate an AOD of 121 calendar days following the date the LOR is shown in DSAMS to be Complete. The AOD may be lengthened by the Implementing Agency, taking into account various factors

Group	Description
	<p>associated with the unique nature of the case. Reasons for placing the case in Group C will be entered into DSAMS and should state one of the following:</p> <ul 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 extraordinary engineering, system integration, or special acquisition (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 and/or outside the Implementing Agencies (8) Other (must be accompanied by explanatory milestone comments) <p>Modifications for Group C cases will be placed in Group B as Modifications generally do not require longer than 120 days to complete.</p>
D	<p>All Pseudo LOAs and associated Amendments and Modifications. DSAMS will generate an AOD of 75 calendar days following the date the LOR is shown as "Complete." The AOD may be shortened or lengthened by the IA when information and/or conditions warrant. Entry of an LOR "Complete" date in DSAMS will not be delayed because information on which to base an AOD is not available.</p>

4. Business Rules.

- A. DSCA and Implementing Agency LOA processing performance is measured by the percentage of documents transmitted or implemented on or before the established AOD. The performance goal seeks 85 percent of the cases to be transmitted or implemented (for Modifications) on or before the AOD.
- B. Pseudo cases are done under a variety of legislative authorities, are authorized for specific purposes, and may have specific funding expiration dates. For these reasons, Pseudo cases will be tracked separately for performance measurement purposes and designated in DSAMS as Group D.
- C. The ending point for each document (DOCMTSENT date in DSAMS) will be compared to its AOD and variation reported as the performance measure. When the DOCMTSENT date is later than the AOD, Implementing Agencies will be required to enter milestone comments in DSAMS to explain the variance. For Modifications, the Implementation milestone will be used.

- D. Changes to the AOD will be permitted on a case-by-case basis and not as a matter of routine. Implementing agencies will determine who has the authority to change an AOD. Detailed milestone comments will be entered when an AOD is changed.
- E. To enable tracking, all Modifications will be associated to an LOR record in DSAMS (e.g., LOR; PMR action item; MILDEP internal review; preparation for case closure; etc.).
- F. The following data fields, management milestones, and milestone comments capabilities have been incorporated into DSAMS at the case document level:
- (1) AOD Group Code (A, B, C, or D) (DSAMS-generated for all case groups)
 - (2) A drop-down menu of reasons why a document is placed in Group C and the capability to enter one or more such reasons in DSAMS.
 - (3) The ability to insert optional milestone comments at various stages of the process and incorporation of mandatory milestone comments at key stages or occurrences. Milestone comments are mandatory when any of the following situations exist:
 - When the LOR Complete date exceeds the LOR Receipt date by 20 days (comments are required on the Customer Request window in the Request Status Comments field);
 - When the Standard LOAD Complete/Case Return date exceeds the Standard LOAD Start/Case Assign date by 60 days (except for Group C Cases);
 - When the DOCMNTSENT date or Implementation Date is later than the AOD;
 - When the original AOD is changed and;
 - When "Other" is selected as a reason for placing a case document in Group C.
 - (4) The provision of management/warning flags to alert when the AOD is approaching.
 - (5) The ability to view revised case data (case group, AOD, pertinent case remarks) in SCIP.
 - (6) A report to calculate the difference between AODs and DOCMNTSENT or Implementation dates for documents in each case group.
 - (7) A report to flag cases with AODs but without DOCMNTSENT dates.
- G. In situations where a single LOR results in more than one LOA, e.g. a Group B major weapon system case and a Group A training support case, different case designators and associated AODs will be assigned and their associated milestones tracked independently.