



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

25 OCT 2011

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Assignment of Program Code “H4” for Fiscal Year (FY) 2012 Section 1206 Global Train and Equip Programs, DSCA Policy 11-50, [SAMM E-Change 188]

REFERENCE: DSCA Memorandum dated February 23, 2011, Subject: Funds Expiration and Availability, Fiscal Year (FY) 2011 Continuing Appropriations Authority for Afghanistan Security Forces Fund (ASFF), Coalition Readiness Support Program (CRSP), and Section 1206 Global Train and Equip Program, DSCA Policy 11-12

Program Code “H4” is assigned to track FY12 Section 1206 Programs authorized under the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163), as amended. All H4 Letter of Offer and Acceptance (LOA) documents should be expended, as well as fully reconciled and closed, on or before July 31, 2017.

Table C4.T2, Country and International Organization Codes and FMS Eligibility, in the automated version of the Security Assistance Management Manual (SAMM) found on the DSCA Web Page, is updated as follows:

Organization	FMS Code	Combatant Command \\1	Regional Grouping \\2	FMS AECA Eligible \\3	Accel. Case Closure Eligible
National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163), as amended, Section 1206 for FY12	H4	NR	NR	AECA Only	No

Appropriations to fund FY12 Section 1206 programs will expire for new obligations in accordance with the terms of the appropriation law and in no case later than September 30, 2012. Continuing Resolution (CR) authorities, such as the Continuing Appropriations Act (CAA) for FY12 (CAA P.L. 112-36), may expire for new obligation before September 30, 2012. The currently available appropriation authority must be cited in the H4 LOA Fund Source, Availability, and Amount note. If this authority is superseded with subsequent legislation, the Fund Source, Availability, and Amount note on any LOA that has not been Offered will cite the new public law. All cases implemented using FY12 funds will need to cite the final appropriation authority public law prior to Closure.

Instructions and notes for preparation of H4 LOAs are attached to this memorandum. Program information using CAA P.L. 112-36 is provided as follows:

FY12 Section 1206 (H4) Program Information

Pgm	Code	Program Authority	Purpose	Fund Source	Appn Authority	Expiration	Cancel FY
1206	H4	P.L. 109-163, as amended	Build the capacity of foreign military forces to conduct counterterrorism or to support military, stability and maritime security operations	97 2 0100	CAA P.L. 112-36, FY12	November 18, 2011	2017

Even though funds from a CR authority may expire before the end of FY12, Implementing Agencies will specify the full period of performance for severable services on H4 LOA documents, consistent with period of performance guidance provided in paragraph four of Referenced DSCA Policy Memo.

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

Scott Schless 10/25/2011

**Scott R. Schless
Principal Director
For Strategy**

Attachment:
As stated

Distribution:

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Instructions and Notes for Preparing FY12 Section 1206 (H4) LOAs

Any sole source purchases must be justified and approved in accordance with statutory authority using procedures applicable to United States Government appropriated-fund purchases. Contracts 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.

<p>1. Case Identifier. Enter the unique case identifier assigned by DSCA (Strategy Directorate).</p>
<p>2. Purchaser's Reference. Enter "funds provided and the written request from [enter Program Originator (e.g., USEUCOM) and the LOR/MOR reference number] to the Defense Security Cooperation Agency, dated [insert date of request and tracking number]."</p>
<p>3. Nickname Field. Enter the Benefitting Country, the Program and the Authority (e.g., "Bandaria, Section 1206, P.L. 109-163, as amended").</p>
<p>4. Offer Expiration Date (OED). The recommended OED to meet USG-driven requirements is 30 days unless the DSCA CPD has granted a longer period.</p>
<p>5. Terms of Sale. Select "Cash With Acceptance."</p>
<p>6. Authority Field. Select "1206." The program Authority will be printed on the LOA following the Terms of Sale.</p>
<p>7. Authority Fiscal Year. Select "FY 2012." This field only appears in DSAMS.</p>
<p>8. S1 Description Field. Enter the Benefitting Country's Country Code (use the Program Code if more than one country is benefitting) followed by a dash, and then a short description of the articles and services being provided. This field allows no more than 45 characters.</p>
<p>9. Purchaser Mailing Address. Select "Department of Defense." This field is on the Distribution Tab of the DSAMS Case Detail window.</p>
<p>10. Customer Signatory Name. Enter "(No Purchaser Signature Required)."</p>
<p>11. Benefitting Country (BC). Select the Benefitting Country for each line.</p>
<p>12. Description/Condition Field. Any MDE items will be listed separately on the LOA and not combined on a line with non-MDE equipment. Lines should be listed in order from most to least substantial. After the major items, the remaining lines should be listed in order by Generic Code.</p>
<p>13. Offer Release and Freight Forwarder Codes (ORC and FF). Enter "XX" if item will be shipped to MAPAD address, or "XW" if an in-the-clear text address is provided.</p>

14. Delivery Term Code (DTC). DTC 7 will be used in most instances to ensure the trans-oceanic travel and in-country travel to the final destination. DTC 9 may be used if follow-on transportation from the port has been arranged via another means. A DTC will not be assigned if a separate transportation case will provide transportation.

Notes for FY12 Section 1206 (H4) LOAs

Authority for Sale – FY12 Section 1206

Note Usage

Mandatory for all FY12 Section 1206 LOAs

Note Text

“This sale is made under the authority of P.L. 109-163, as amended, in support of U.S. national objectives. Any reference in this LOA to “purchaser” shall be construed as a reference to the Department of Defense.”

Case Closure – FY12 Section 1206

Note Usage

Mandatory for all FY12 Section 1206 LOAs

Note Text

“This case must be fully reconciled and closed by July 31, 2017.”

Fund Source, Availability and Amount – FY12 Section 1206

Note Usage

Mandatory for all FY12 Section 1206 LOAs

Note Text

“The funds financing this LOA are provided in support of authority to build the capacity of foreign military forces to conduct counterterrorism or to support military, stability and maritime security operations.

- a. The funds are subject to all the requirements and restrictions under the heading of P.L. 109-163, as amended, and [insert Appropriation Authority]. Failure to obligate the funds during the period of availability ending on [insert expiration date] will render them unavailable for new obligations unless a subsequent authority extends the period of availability.
- b. The funds carry the same time, purpose, and availability restrictions associated with fund source 97 2 0100.

- c. The total funds available for expenditure against this LOA are limited to the Total Estimated Cost of this LOA.
- d. All funds must be expended on or before July 31, 2017.”

Nonrecurring Costs Do Not Apply – FY12 Section 1206

Note Usage

Mandatory for all FY12 Section 1206 LOAs

Note Text

“Nonrecurring Costs (NC) do not apply to this case.”

Title and Custody Transfer – FY12 Section 1206

Note Usage

Mandatory for all FY12 Section 1206 LOAs

Note Text

“The U.S. Government will retain title to and custody of the defense articles to be transferred under this LOA until delivery to/receipt by the Benefitting Country. A designated U.S. Government representative will confirm and document delivery/receipt of the program materiel to an authorized Benefitting 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 Implementing Agency.”