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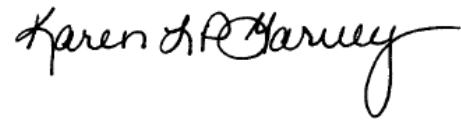
MEMORANDUM FOR DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE
AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
INTERNATIONAL AFFAIRS
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
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DIRECTOR, DEFENSE LOGISTICS AGENCY LOGISTICS
INFORMATION SERVICE
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SERVICES
DIRECTOR FOR SECURITY ASSISTANCE, DEFENSE FINANCE
AND ACCOUNTING SERVICE – INDIANAPOLIS OPERATIONS
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY

SUBJECT: Revised Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) Budget Allocation Process in Chapter 12 of the Security Assistance Management Manual (SAMM) (DSCA 14-17) [SAMM E-Change 254]

The attached revision to Chapter 12 of the SAMM establishes a more transparent budget planning and execution cycle, and standardizes the submission, review, and evaluation of annual Combatant Command (CCMD) requests for OHDACA funding. Specifically, this effort synchronizes DSCA and CCMD planning/execution cycles; establishes evaluation criteria; and provides a comprehensive review of CCMD budget requests by DSCA, functional and regional offices within the Office of the Under Secretary of Defense for Policy (OUSDP), and the Joint Staff (JS). The result is a more rigorous review of CCMD submissions, increased stakeholder dialogue, and enhanced awareness of how Humanitarian Assistance (HA) programs support theater strategy and priorities.

This change will take effect immediately. Chapter 12 of the SAMM will be updated as reflected in the attachment, and this change will be included in the online version of the SAMM found on the DSCA Web Page, www.dsca.mil/samm/, as SAMM E-Change 254. If you have questions regarding this policy please contact Mr. Ramon Davis, DSCA/PGM/HDM, at (703) 601-3652 or e-mail: ramon.davis@dsca.mil. For questions on the SAMM, please contact

Mr. Mike Slack, DSCA/STR/POL, at (703) 601-3842 or e-mail: michael.slack@dsc.mil.
Implementing Agencies should disseminate this policy to supporting activities.

A handwritten signature in black ink, reading "Karen A. Darney". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Attachments:

As stated

cc:

STATE/PM-RSAT

AFRICOM

CENTCOM

EUCOM

JFCOM

NORTHCOM

PACOM

SOCOM

SOUTHCOM

TRANSCOM

USASAC

SATFA TRADOC

NAVICP

NETSAFA

AFSAC

AFSAT

DISAM

Section three of Chapter 12 is replaced with the following:

C12.3. Strategy and Budget Submissions, Program Administration, and Funding Allocation

C12.3.1. Overseas Humanitarian, Disaster and Civic Aid (OHDACA) is a two-year appropriation utilized to support the U.S. National Security Strategy and Department of Defense (DoD) Security Cooperation (SC) programs through DoD funded humanitarian-focused programs. The appropriation allows DoD the opportunity to maintain a robust overseas presence in order to help shape the international security environment in a manner which assures partners of U.S. commitment, while furthering U.S. national security interests. OHDACA supports national security interests by promoting peace and stability through the establishment of relationships, by building the capacity of partner nations (PN), and improving DoD access, visibility, and influence in a PN or region, while addressing a humanitarian need. Consistent with applicable legal authorities, projects may be conducted as stand-alone projects, as part of broader stability operations, or as DoD-unique contributions to larger whole-of-government efforts. The OHDACA appropriation is managed by DSCA.

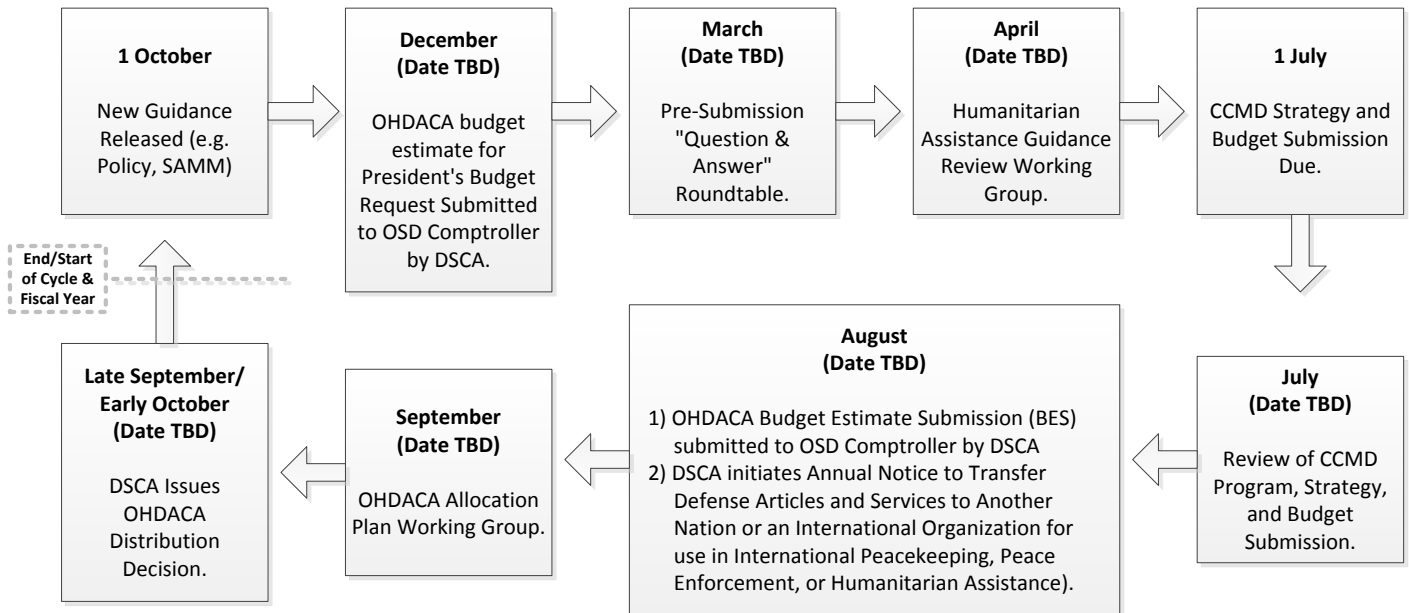
C12.3.2. OHDACA funds are allocated to CCMD Program Offices responsible for managing those activities executed under the authorities identified in Table C12.T1. Additionally, DSCA maintains funds for Foreign Disaster Relief (FDR) activities, procurement of Humanitarian Daily Rations (HDRs), development and maintenance of the Overseas Humanitarian Assistance Shared Information System (OHASIS), the Humanitarian Demining Training Center (HDTC), transportation, and the DSCA Excess Property (EP) Warehouses' activities.

C12.3.3. DSCA submits the Program Objective Memorandum (POM), Budget Estimate Submission (BES), and President's Budget (PB) for several appropriations, including OHDACA. The POM is submitted to the Cost Assessment and Program Evaluation (CAPE) office, and the BES and PB are submitted to the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)). The POM and BES are submitted during the summer and the PB is submitted in January. The OHDACA budget is broken out among the HA, EP, HMA, and FDR programs, with justifications and estimated dollar values included for each program for the upcoming fiscal year (FY). This is a top-level view of the OHDACA appropriation.

C12.3.4. During the BES cycle, each CCMD Program Office responsible for HA, HMA, EP, and FDR program activities must submit a project plan summary for the budget year. The project summary is a list of planned projects that states the estimated cost and the number and types of projects by country. The CCMD project summary is submitted to OUSD(C) during the BES and PB. The CCMD has the option of revising its summary for submission during the PB.

C12.3.5. CCMD Strategy and Budget Planning and Execution Cycle.

C12.3.5.1. Each CCMD Program Office will submit an annual strategy and budget request in OHASIS (see description of OHASIS in Section C12.3.6.2.) to DSCA no later than (NLT) July 1 each year. To facilitate the submission and review of the strategy and budget submissions and the formulation of the OHDACA allocation plan, the cycle depicted in Figure C12.F1. will be followed annually.

Figure C12.F1. Annual OHDACA Planning and Execution Cycle**C12.3.5.2. References.**

- a) Sections 402, 404, 407, 2557, and 2561 of Title 10, United States Code
- b) Defense Security Cooperation Agency (DSCA) Manual 5105.38-M, Chapter 12
- c) Department of Defense Cable, "Policy Guidance for DoD Humanitarian Assistance Funded by the Overseas Humanitarian, Disaster and Civic Aid Appropriation," June 5, 2012 (or latest release)
- d) 2010 National Security Strategy (or latest release)
- e) 2012 National Defense Strategy (or latest release)
- f) 2011 National Military Strategy (or latest release)
- g) 2012 Guidance for the Employment of the Force (GEF) (or latest release)
- h) Pertinent Theater Strategy formally issued by OUSD(P) or the CCMD

C12.3.5.3. New Guidance Released (1 October – Beginning of the Fiscal Year). OUSD(P) and DSCA will develop, coordinate, and publish pertinent policy and/or program management guidance according to officially established processes, on a timeline that ensures the guidance is as current as practical.

C12.3.5.4. Data Call for President's Budget Request (December). DSCA is required to submit an OHDACA budget estimate, through the Office of the Under Secretary of Defense (Comptroller), in support of the President's Budget Request in December of each year. The data provided by DSCA for the BES in August of the previous fiscal year, as collected from the CCMDs, generally satisfies this requirement. However, DSCA may conduct a separate data call for this requirement in situations where events of significance (e.g. major disaster, shift in strategic priorities) may have altered CCMD plans.

C12.3.5.5. Pre-Submission "Question & Answer" Roundtable (March or as Agreed Upon). Prior to the annual budget submission each year, DSCA will facilitate an informal "question and answer" roundtable with each individual CCMD and the Office of the Deputy Assistant Secretary of Defense for Stability and Humanitarian Affairs (SHA), if required. The forum will provide an opportunity to discuss policy and/or program related concerns as the CCMDs formulate their budget submissions, with the primary purpose of resolving concerns or issues prior to the formal review of the CCMD budget submission. DSCA will invite each CCMD to submit agenda items for discussion, compile same, and then distribute a consolidated agenda prior to the meeting. The participants will identify and coordinate on how best to

accomplish the roundtable. Meetings in person, teleconferences, and video-teleconferences, are examples of how the roundtable might be conducted. The Joint Staff J5 Humanitarian Engagement Branch (hereafter referred to as “JS J5”) will be invited to observe and represent the equities of the Chairman of the Joint Chiefs of Staff (CJCS). As appropriate, SHA may invite OUSD Policy regional desks to participate in this event.

C12.3.5.6. Humanitarian Assistance Guidance Review Working Group (April or as Agreed Upon). DSCA will host an annual Guidance Review Working Group to discuss issues of relevance to OHDACA-funded programs, current guidance, and the need to issue updated guidance for future fiscal years. In general, guidance for the OHDACA-funded humanitarian assistance programs should have enduring applicability, providing the CCMDs stability for longer term planning. However, it is important to provide the necessary flexibility to adjust for emerging programmatic, strategic, and political concerns. The core of the Working Group will include DSCA, SHA, and representatives from the CCMDs. The OUSD(P) regional offices will be invited to attend, and JS J5 will be invited to represent the equities of the CJCS.

C12.3.5.7. CCMD Strategy and Budget Submissions due (July 1). CCMDs will submit their annual strategy and budget submission via OHASIS no later than 1 July each year. Unclassified supporting information will be uploaded to OHASIS as part of the submission. Classified supporting information will be submitted to DSCA via Secured Internet Protocol Router Network (SIPR). All submissions must be approved by the CCMD at the Directorate level (e.g. Director, J5).

C12.3.5.7.1. All submissions will follow the prescribed template in OHASIS and will address:

- What the CCMD seeks to accomplish with its OHDACA funded programs (i.e., countries/regions of focus, how HA/HMA programs support theater strategy, risks incurred if these programs are not funded at the requested levels);
- How each HA sector will be used in the CCMD’s Area of Responsibility;
- HA and HMA conferences/workshops to be held;
- Costs related to contracting and/or contingencies; and,
- Costs for the completion of One Year After Action Reports (AAR).

C12.3.5.7.2. Additionally, each submission will include a list of the HA, Excess Property (EP), and Minimal Cost HA and HMA projects, the CCMD expects to execute using the fiscal year of funding being applied for. The CCMD will ensure the following sections, as found in the OHASIS project nomination template, are completed for all projects included in the annual budget submission:

- HA BASIC INFO: 1. Project, Name, Summary
- HA BASIC INFO: 3. Date Range, Cost
- HA BASIC INFO: 4. Project Location
- HA DETAILS: 1. Goals
- HA DETAILS: 2. Goals (continued)
- HA DETAILS: 3. Objectives

C12.3.5.8. Review of CCMD Program, Strategy, and Budget Submissions (July). DSCA will staff the CCMD submissions for coordination via OHASIS to facilitate a coordinated review that considers program management, functional policy, and regional policy interests. For coordination purposes, the budget submissions will be staffed to DSCA’s Office of General Counsel (OGC); the Director, Humanitarian Demining Training Center (HDTTC); and, the Office of the Deputy Assistant Secretary of Defense for Stability and Humanitarian Affairs (SHA). The submissions will also be provided to JS J5 for informational purposes.

C12.3.5.8.1. DSCA will focus on program management using information derived from OHASIS and the Defense Finance and Accounting Service (DFAS) to serve as indicators of CCMD program management practices. Emphasis will be placed on the following program management areas: obligation and commitment rates for expiring and current year funds, After Action Report (AAR) completion rate, and data management in OHASIS (e.g. the currency of project updates).

C12.3.5.8.2. DSCA's Humanitarian Assistance, Disaster Relief, and Mine Action Division (HDM) program managers, as well as OGC, will review each strategy and budget submission for conformity with applicable authorities and guidance (References (a) through (c)), in addition to reviewing each individual project upon submission to DSCA for approval.

C12.3.5.8.3. OUSD(P) will review and evaluate each CCMD's budget submission based on its conformity with existing policy guidance for the HA program (references (c) through (h)), as well as emergent or high visibility situations that warrant additional consideration in the budget allocation process. OUSD(P) will also consider whether and how the CCMD executed the previous fiscal year's funds in accordance with that previous year's approved budget strategy.

C12.3.5.8.4. SHA will facilitate the regionally-focused review by providing each CCMD's strategy and budget submission to the appropriate regional offices within OUSD(P) for review. Regionally-focused offices will review the submissions to ensure their conformity with regional interests and existing DoD strategic guidance (e.g. references (d) through (h)), and inform SHA and DSCA of their feedback and concurrence/non-concurrence with the submission.

C12.3.5.9. BES Forecast (August). DSCA is required to submit an OHDACA budget forecast in support of the Office of the Under Secretary of Defense (Comptroller) BES in August each year. DSCA will submit a data call with instructions to the CCMDs each year to fulfill that request. CCMDs will provide a forecast for the fiscal year identified in the BES request, in accordance with Chapter 12.3 of the SAMM.

C12.3.5.10. Congressional Notification (August). DSCA will coordinate the annual notice to Congress of "Department Plans to Transfer Defense Articles and Services to Another Nation or an International Organization for use in International Peacekeeping, Peace Enforcement, or Humanitarian Assistance," which must be completed prior to the expenditure of OHDACA funds each fiscal year.

C12.3.5.11. OHDACA Allocation Plan Working Group (September). DSCA, in partnership with SHA, will develop an OHDACA allocation plan, based on input garnered from the coordinated review of the CCMD strategy and budget submissions. JS J5 will be invited to observe and represent the equities of CJCS. The Working Group will consider all information provided with each CCMD submission, focusing on the areas of review identified above. The allocation plan will be based on the CCMD submissions with consideration of the following criteria:

C12.3.5.11.1. Department of Defense (DoD) Priorities: DoD humanitarian assistance programs must align with evolving DoD priorities.

C12.3.5.11.2. Budget Submissions. Budget submissions must clearly illustrate the CCMD strategy for its OHDACA funded programs relative to the National Security Strategy, National Defense and National Military Strategies, Guidance for Employment of the Force, pertinent theater-based strategy, the Theater Campaign Plan, and various supporting plans, directives, or CCMD initiatives.

C12.3.5.11.3. Disaster Relief. DSCA and SHA will collectively determine the amount of disaster relief funding projected in the President's Budget Submission and set aside by DSCA for disaster response purposes. The amount set aside will directly impact the amount of OHDACA available for other humanitarian programs.

C12.3.5.11.4. Program Execution. OHASIS is the system of record for OHDACA-funded activities and is the data source for reports to Congress, the U.S. Department of State Foreign Assistance Dashboard, DoD Inspector General (IG) studies, U.S. Government Accountability Office (GAO) audits, and various other U.S. Government reporting requirements. CCMDs should nominate programs within their capabilities to resource from cradle to grave, vice submitting large numbers of projects and receiving commensurate funding that cannot be fully executed. Updating this system throughout the entire life cycle of a project is of paramount importance, therefore funding is tied to CCMD performance in this area.

C12.3.5.11.5. Ability to Obligate Funds. A CCMD's ability to commit and obligate funds by September 30 of the final fiscal year of availability is paramount. Obligation rates of prior year funds are considered when determining the amount of new funding to be made available for the upcoming fiscal year. Discussions will be held with CCMDs regarding the rationale behind low obligation/commitment rates and associated shortfalls.

C12.3.5.11.6. Cross-Cutting Activities. OHASIS maintenance, excess property warehouse operations, Funded

Transportation (covering shipments of excess property, disaster relief, and private donations), the Denton Transportation Program, the cargo inspection contract, HDTC operations, and Humanitarian Daily Rations (HDR) support all CCMDs and are funded by DSCA headquarters (HQ) from the OHDACA appropriation. This cost is subtracted from the overall appropriation prior to determining CCMD allocations.

C12.3.5.12. Allocation Plan Approval. The draft budget allocation plan will be submitted to SHA for review and formal coordination, after which it will be submitted to the Director, DSCA, for final approval. A copy will also be provided to JS J5 for informational purposes.

C12.3.5.13. OHDACA Distribution Decision Issued (September). Upon completion of formal coordination with SHA, the Director, DSCA, will issue the final allocation memo to the CCMDs. JS J5 will be included in the distribution of the allocation memo. Funds will be distributed to the CCMDs upon receipt by DSCA.

Note: As multiple factors impact the execution of the cycle described above, it is important to recognize the dates and timeframes identified are tentative and may shift, based on mission requirements.