



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

05 APR 2018

MEMORANDUM FOR 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
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DIRECTOR, DEFENSE LOGISTICS AGENCY
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DIRECTOR, NATIONAL GEOSPATIAL – INTELLIGENCE
AGENCY
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY
DIRECTOR, DEFENSE TECHNOLOGY SECURITY
ADMINISTRATION

SUBJECT: System-specific Checklists to Better Define Customer Requirements, DSCA Policy
18-09 [SAMM E-Change 362]

Reference: FOREIGN MILITARY SALES: Expanding Use of Tools to Sufficiently Define
Requirements Could Enable More Timely Acquisitions, GAO-17-682, August 2017

This memorandum revises Security Assistance Management Manual (SAMM) Chapter 5, Sections C5.1.2. LOR Format and Information Requirements, and C5.1.7.2. LOR Evaluation, to require Implementing Agencies to develop system-specific checklists to assist Foreign Military Sales (FMS) customers in creating readily actionable Letters of Request (LOR), and expands Table C5.T3. Letter of Request Checklist - Evaluation Criteria.

House Report 114-537 directed the General Accountability Office (GAO) to review DOD's acquisition process for FMS to determine factors that may contribute to delays. The GAO found that LORs developed with the help of system-specific checklists, available from Implementing Agency (IA) websites, resulted in greater timeliness in offering cases. To increase

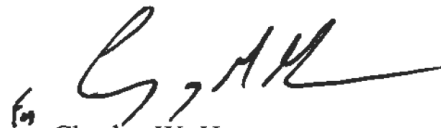
efficiency when defining FMS requirements, GAO recommended the issuance of department-wide guidance for program offices to expand the use of tools, such as checklists, to aid FMS customers in specifying their requirements in a way that DOD can act upon in a timely manner. This action also supports the Defense Acquisition University's FMS Systems Acquisition Job Support Tool call to develop and make available LOR checklists.

In accordance with GAO's recommendation, the IAs are directed to develop, where appropriate, system-specific checklists designed to help ensure that requirements are fully defined to account for weapon systems and the logistics and support services needed to deliver a complete and sustainable capability to the FMS customer. The Generic LOR Checklist, incorporated into the SAMM as C5.F1., serves as a template for both developing system-specific checklists, and as a standardized checklist for defense articles that do not have existing checklists. IAs should further refine this checklist to meet their specific requirements. To the extent possible, the checklists should be made easily accessible on public websites.

To establish a baseline to track IA implementation of this policy, develop a consolidated list of available checklists, and to demonstrate compliance with the GAO recommendation, by July 30, 2018, IAs are required to report to DSCA Strategy Division, the website where system-specific checklists are posted, the total number of checklists available, and of that total, the number of checklists added since the date of this memo. DSCA strongly encourages IAs to develop between five and ten new system-specific checklists before July 30, 2018 to demonstrate compliance with GAO's recommendation. IAs should develop system-specific checklists for all major defense articles no later than July 30, 2023.

This SAMM change will be included in the online version of the SAMM found on the DSCA Web Page as SAMM E-Change 362. IAs should disseminate this policy to supporting activities.

For questions relating to this policy, please contact Mr. Mike Slack, Strategic Planning and Integration Division, at (703) 697-9058 or e-mail: micheal.d.slack.civ@mail.mil.



Charles W. Hooper
Lieutenant General, USA
Director

Attachment:
Generic LOR Checklist

cc:

AFRICOM

CENTCOM

EUCOM

NORTHCOM

SOUTHCOM

PACOM

TRANSCOM

SOCOM

STATE/PM-RSAT

USASAC

USACE

NAVSUP WSS

NETSAFA

TRADOC SATFA

AFSAC

AFSAT

DISCS

MARCOR IP

SCETC

USCG International Affairs (G-CI)

**Update of SAMM Chapter 5 regarding Letter of Request (LOR) Checklists,
Security Assistance Management Manual (SAMM), E-Change 362**

1. In Chapter 5, Sections C5.1.1. and C5.1.2. are replaced by the following revised versions.

C5.1.1. General. The Foreign Military Sales (FMS) process begins when an eligible foreign country or international organization requests information on defense articles or services, including training, being considered for purchase. All requests for information require the same channels of submission and must be answered consistent with the legal provisions under which the FMS program operates. The Security Cooperation Office and Officer (SCO) can provide necessary assistance for many FMS partners.

C5.1.2. LOR Format and Information Requirements. Requests are generally referred to as Letters of Request (LORs), whether provided through formal correspondence, requests for proposal (RFPs), discussions, electronic mail (e-mail), letters, or messages.

C5.1.2.1. Although no specific format is required for an LOR, it must be in writing and partner nations are strongly encouraged to work with SCOs to ensure LORs address the item identified using the LOR checklist to avoid delays during the development of the LOA. Partner nations should ensure that the request is complete in that it shall:

1. Identify the desired defense articles and/or services in sufficient detail for the United States Government (USG) to prepare an accurate cost estimate;
2. Indicate whether Price and Availability (P&A) data, a Letter of Offer and Acceptance (LOA), an LOA Amendment, or an LOA Modification is desired;
3. If for a blanket order LOA, include the desired materiel and services value or the desired total case value;
4. Indicate the proposed method of financing;
5. Identify any anticipated involvement in the requested case by anyone not a duly appointed officer or government civilian employee of the requesting government - i.e., a "third party" - so that the receiving Military Department (MILDEP)/Implementing Agency (IA) may initiate appropriate reviews and approval requests;
6. Contain the name and address of the originator and a traceable reference number, e.g. letter serial number; and
7. Identify the intended/anticipated recipient unit for any defense articles and/or services to be purchased:
 - a. with Foreign Military Financing (FMF) funds, or
 - b. for any request for grant transfer of Excess Defense Articles, recognizing such unit designations may change as the case is implemented and equipment is delivered to the host nation. The SCO will update the recipient unit designation at the time of LOA signature, if applicable, by alerting the IA, which will input updated information into DSAMS.

C5.1.2.2. To assist purchasers to develop readily actionable LORs, Implementing Agencies are directed to develop, where appropriate, system-specific checklists designed to help ensure that requirements are fully defined, to account not only for weapon systems but also for the logistics,

construction, training, and support services needed to deliver a complete and sustainable capability to the FMS customer. The generic checklist at Figure C5.F1. serves as a basis for the IAs to develop system-specific checklists or as a checklist that may be used to develop LORs for defense articles that do not have system-specific checklists. To the extent possible, IAs should make system-specific checklists easily accessible to customers on public websites. Foreign partners are encouraged to use the generic checklist and available system-specific checklists, as partner nations will receive timelier responses to LORs that address the items outlined in the generic and/or system specific checklists.

2. Figure C5.F14. is added following Section C5.1.2.2.

Figure C5.F14. Generic Letter of Request (LOR) Checklist

1. The LOR must be submitted in writing and translated if not in English.
2. Name of country/purchaser.
3. What is being requested through this LOR (i.e. Price and availability, basic LOA or amendment, grant, or lease)?
4. Has a source of funding been identified? If so, what type (FMF, National Funds, etc.)? Recipient units must be identified for FMF requests.
5. Is there a requirement for a unique payment schedule?
6. Which Partner Nation military service (Army, Navy, Air Force) is submitting the LOR? Please note if the LOR is being requested on behalf of another military service or government agency.
7. What is the purchaser's timeline for pricing and availability, basic LOA, or amendment development?
8. Identify related weapon systems, end items, and any interoperability requirements, including ammunition. For aircraft, include aircraft survivability equipment requirements, communications, navigations, surveillance, weaponization, ground support equipment, infrastructure availability, etc.
9. Identify any communication or command and control requirements. For aircraft, consider air traffic control and communications plan/strategy that includes voice and data interoperability with indigenous ground, air, and naval armed forces; government organizations; and U.S. joint operations.
10. Is the Partner Nation requesting non-recurring costs be waived?
11. What is the defense article or service being requested?
 - a. If it is defense article, please identify as follows:
 - (1) Defense article nomenclature and description. State if this is a current DoD weapon system/end item (ex: AN/AVS-9 NVGs to be worn by pilots flying H-1s).
 - (a) Manufacturer name
 - (b) Manufacturer catalog
 - (c) Order number
 - (d) Manual number
 - (e) Item name

- (f) Item description
 - (g) Item color
 - (h) Item size
 - (i) End item application
 - (j) Manufacturer make
 - (k) Manufacturer model number
 - (l) Manufacturer series number
 - (m) Manufacturer serial number
 - (n) Drawing number
 - (o) Is this item a replacement (Yes/No)
- (2) Quantity.
 - (3) Intended end use (state mission usage requirements).
 - (4) Is this a new capability to be provided to the partner nation?
 - (5) Has the partner nation bought this service or defense article from the U.S. before?
 - (6) Major component or system, if appropriate/known.
 - (7) Part number and/or national stock number (NSN), if known/appropriate.
 - (8) Configuration, if known/appropriate, and intended integrator.
 - (9) Interface/software equipment integration requirements, if appropriate.
 - (10) Desired condition (new, refurbished, as is/where is).
 - (11) Desired delivery date/schedule, initial operating capability date, and whether expedited delivery is authorized to meet desired delivery date (include willingness to pay higher price for expedited delivery, if applicable).
 - (12) Identify any special transportation requirements or preferences (ex: pilot pickup, staging, etc.).
 - (a) Purchaser's requested shipping address
 - (b) Purchaser's shipping code
 - (c) Do you plan to ship through a freight forwarder (Yes/No)
 - (d) Is your freight forwarder registered with the U.S. State Department (Yes/No)
 - (e) Freight forwarder address
 - (f) Freight forwarder code
 - (g) Do you have established Military Assistance Program Address Codes for your shipments (Yes/No) (see Appendix 2 in the SAMM)
 - (h) Is your freight forwarder certified to process and handle classified material? (Yes/No)
 - (13) Support requirements during production.
 - (14) Software development requirements.
 - (15) Number of locations requiring equipment. Training should be specified as within or outside the continental United States.
 - (16) Joint visual inspection or demonstration, including relevant details.
 - (17) Is the requested defense article classified, controlled, cryptographic intelligence, or

explosive?

- b. If requesting a defense service, please identify as follows:
 - (1) Short description of service requested. Include back-up details, if applicable (Ex: customer logistics support).
 - (2) Desired length of service/period of performance and service delivery date.
 - (3) Location, including necessary force protection for personnel.
 - (4) If purchaser participation is desired, include number and type of purchaser personnel available if services are to take place in the U.S.
 - c. List previous FMS cases and/or direct commercial sales (DCS) transactions related to this request for the same item. Identify the FMS case or export license number if known. Indicate whether the export license is generated by Department of State or Commerce Department.
 - d. Include sole source procurement request, if desired.
12. Construction and Design-related Requirements:
- a. Does this LOR require construction and/or design (in anticipation of construction) of physical facilities and/or infrastructure? If the answer to this question is “yes,” please continue to the following sub-questions. If the answer to this question is “no,” please go to the next question.
 - b. Is design in anticipation of construction required as a primary procurement item (e.g. master planning)?
 - c. Is physical construction required as a primary procurement item (e.g. military hospital, installations and support infrastructure, piers) or in support of a systems procurement (e.g. hangar in support of an F-15 requirement, pads in support of a missile requirement)?
 - d. Is the land required for construction identified? If not, by what date will it be identified?
 - e. Is the land required for construction on a military installation or other secured/limited access location where construction contractor access may be impacted?
 - f. Is the land required for construction under the authority of the Partner Nation, or does it need to be acquired?
 - g. Has the land required for construction been cleared?
 - h. Has the land required for construction been surveyed?
 - i. Are the facilities and/or infrastructure requested by this LOR expected to be attached to, interoperable with, or otherwise associated with existing facilities or infrastructure?
 - j. Are there any other ongoing or planned construction projects that may conflict or need to be coordinated with the services requested by this LOR (include any construction on adjacent sites)?
 - k. Are there any existing facilities requiring demolition or potential environmental contamination on the land required for construction?
 - l. Is utility infrastructure present?
 - m. Is the land required for construction occupied by another entity? Will the land required for construction be unoccupied in advance of construction?
 - n. Does the Partner Nation plan on limiting competition for the required design or construction effort?

- o. Does the Partner Nation have any authorities having jurisdiction (e.g. electrical regulators; domestic constructions codes) that must approve either the design or the construction?
- p. Have there been any prior efforts to procure the required design or construction effort?
- q. Are there any exemptions from tax or duty, or from licensure or other legal requirements, other than those that may be included in the LOA that the Partner Nation expects to apply to design or construction work under the LOA?

13. Additional Requirements:

- a. In terms of logistics support, the following should be addressed:
 - (1) Does this require supply support?
 - (2) Define spare parts provisioning requirements and duration. The following may apply:
 - (a) Spare parts list. Support periods being covered (ex: 12 or 24 months). For end items being supported, provide particulars as to operating plans and program data (operational tempo, overhaul periods, maintenance factors, number of operating bases that will store tools and parts, nonstandard repair parts spares/tools, etc.)
 - (b) Training spares. List parts, part numbers, and NSNs
 - (c) Installation and operational (ex: “checkout” or “float”) spares
 - (d) Maintenance float (spares to cover repair turnaround time)
 - (e) Consolidated shipment requirement, including hazardous material considerations
 - (f) Return, repair, and reshipment
 - (3) Planned maintenance/maintenance concept (how will it be sustained?). Partner Nation maintenance plan at what level, including organization, intermediate, or depot.
 - (4) Type of supply system to be used by purchaser for integration of new US system.
 - (5) Purchaser interest in adopting US logistics process, systems, and equipment available for export.
 - (6) Support for country unique items.
 - (7) Is there a requirement to provide cataloging data for initial spares and support equipment to populate customer country’s unique ERP system? Specify data elements and format.
 - (8) Are “serviceable” spares and support equipment acceptable or “new and unused” required?
- b. Technical Assistance requirements:
 - (1) Installation requirements. For modifications, will defense article be modified/upgraded in country or brought back to CONUS?
 - (2) Post-delivery testing requirements.
 - (3) For overhauls and/or upgrades, describe the condition of Partner Nation-owned equipment and all configuration changes made since purchase, including return, repair, and reshipment requirements.
 - (4) Hardware/software testing requirements/software integration laboratory requirements for both contractor and U.S. government.
 - (5) Contractor Materiel Augmentation Team to augment Partner Nation maintenance personnel.
 - (6) For aircraft procurements, air worthiness assistance to maintain a US Air Worthiness Release.

- (7) Delivery support: ferry to port; port operations; ferry to destination.
- c. Support and Test Equipment:
 - (1) General purpose tools and test equipment.
 - (2) Peculiar ground support equipment.
 - (3) Special tools.
 - (4) Calibration services/test equipment and diagnostic equipment.
 - (5) Ancillary equipment.
 - (6) Test measurement and diagnostic equipment.
 - (7) Identify existing test equipment to be used (i.e. IFTE, GETS-1000, etc.).
 - (8) Packaging handling shipping and transportation equipment/material.
 - (9) Acceptable test procedures.
 - (10) Specify local electrical power (voltage and hertz) and fuel (diesel, gasoline, low-sulphur etc.)
- d. Training and Training Devices:
 - (1) Type of training. State whether training is: service-specific, on-the-job type, “Train the Trainer,” initial technical, difference/transition, or new equipment.
 - (2) Number, type, skill level of students, including English comprehension level.
 - (3) Location and proposed dates of training desired. Specify if medical and/or travel and living allowance (TLA) management lines are required and number of students requiring medical/TLA.
 - (4) Operator and/or maintainer training devices required, if known.
 - (5) Number of training iterations.
 - (6) Technical Assistance Field Team requirements.
 - (7) Is certification or accreditation required by purchaser?
 - (8) Aircrew/maintainer training.
 - (9) Simulators (fixed or full motion)
- e. Facilities:
 - (1) Training Facilities.
 - (a) Number of required classrooms and/or meeting spaces.
 - (b) Room size (number of desks/ chairs).
 - (c) Training equipment.
 - (d) Delivery docks.
 - (e) Voltage, if necessary.
 - (f) Temperature controls.
 - (g) Security systems.
 - (2) Storage of equipment (specifically, sensitive category items).
 - (a) Room size.
 - (b) Delivery docks.
 - (c) Voltage, if necessary.

- (d) Temperature controls.
- (e) Security systems.
- (3) New/upgraded facility/construction requirements for aircraft/large equipment.
 - (a) Room size.
 - (b) Delivery docks.
 - (c) Voltage, if necessary.
 - (d) Temperature controls.
 - (e) Security systems.
- (4) Repair facilities.
- (5) Facility site survey requirement.
- f. Documentation Requirements:
 - (1) List documentation by publication number and name if known.
 - (2) Training texts (field or technical manuals).
 - (3) Logistics documentation, as above (to include Depot Maintenance Work Requests/National Maintenance Work Requests).
 - (4) Hardware/software (aircraft) maintenance management/records system.
 - (5) Country Unique Publications (ex: operator manual, checklist, and/or test flight manual).
 - (6) Airworthiness documentation (delivery and post-delivery).
- g. Miscellaneous requirements:
 - (1) Petroleum, oil and lubricants.
 - (2) Quality assurance team, to include Government Flight Representative.
 - (3) Basic issue items (clothing, safety gear items, etc.).
 - (4) Communications/electronics equipment (radios, accessory kits, etc.).
 - (5) Power generators.
 - (6) Specialized software.
 - (7) Hot or cold weather requirements.
 - (8) Forward Area Refueling/Arming Points.
 - (9) Special waivers to be requested (i.e. non-recurring cost)
 - (10) Digital map or other mission planning products.
 - (11) Munitions (type and quantity).
 - (12) Data base for parts inventory/location.
 - (13) Containerization of parts and tools.
 - (14) Site survey request.
 - (15) Case/program-level reviews and/or program management reviews (ex: how many and where)?
 - (16) Ensure purchaser submits LOR as UNCLASS.
 - (17) Ensure Point of Contacts for the requirement/technical issues are listed.
 - (18) Unique case notes required by purchaser. (e.g. SOFA, export/import, wood-boring organisms).

- h. Additional Comments: special terms or requests, environmental/hazardous material considerations, value added taxes or country customs charges (including any relevant exemptions), and/or legal requirements/issues).

3. In Chapter 5, Section C5.1.7.2. and Table C5.T3. are replaced by the following revised versions:

C5.1.7.1.2. **LOR Evaluation.** [Table C5.T3.](#) is provided to assist U.S. Embassies, SCOs, DSCA, and the DoD components to evaluate LORs. If an LOR does not meet the basic requirements of [Table C5.T3.](#), the DoD Component initially receiving the request notifies the originator of the deficiency and, after entering the request in DSAMS, holds any further action until all required information is received. IAs should strive to allow no more than 20 days to pass from LOR Receipt to LOR Complete. This key step reflects internal review by subject matter experts and assures that the LOR contains sufficient information to begin drafting the LOA. If more than 20 days pass between LOR Receipt and LOR Complete, explanatory remarks will be entered in the Customer Request window in the Request Status Comments field in DSAMS.

Table C5.T3. Letter of Request (LOR) Checklist - Evaluation Criteria

#	LOR Checklist - Evaluation Criteria
1	Is the request a valid military requirement of the purchaser?
2	Is the request for an FMS LOA (LOR for an LOA implies that the requesting country or international organization has identified a source of funding) or is it a request for P&A data?
3	Has the request been made by someone with the authority to submit procurement requests on behalf of the requesting country or international organization?
4	Is the request specific enough to enable a contracting officer to obtain pricing data? If "No," consult with the requesting country or international organization to obtain sufficiently detailed data, similar to that prepared for a request for quotation. If the country or international organization cannot provide additional definition, advise that it should request a Requirements Survey Team or Definition Conference with U.S. experts to help define the requirements. The purchaser must fund these expert teams on a separate FMS case. See Section C2.4. on Survey Teams.
5	Is an adequate source of funding identified? If so, what type? If the request indicates that FMF will be used as a method of financing, does the request align with the approved purpose and cost allocation of the FMF funds for the purchaser as outlined in the Congressional Budget Justification Annex located in the DSCA FMF and IMET Security Assistance Program and Budget Web Tool at https://fmfimet.dscamilitary.com/
6	Ensure the LOR contains the following (as appropriate): <ul style="list-style-type: none"> • Are all hardware requirements specified, including National Stock Numbers (NSNs) or other identifying designation? • Is non-standard equipment required? • Does this request require a site survey? • Are all country unique support and training requirements identified? • Communications Security (COMSEC) requirements.

#	LOR Checklist - Evaluation Criteria
	<ul style="list-style-type: none"> • Is this diminishing manufacturing sources and material supply? • For technical assistance requirements: <ul style="list-style-type: none"> ○ Initial/long term follow-on maintenance requirements for support (ex: organizational, intermediate, depot level). ○ Contractor logistics support requirements. ○ Contractor post-production support. • Contractor in-country support requirements. • Does the requirement provide a realistic operational capability and is the country or international organization using the Total Package approach, to include concurrent spares, training, ammunition, and follow-on support? • Is this request standard level of service or above standard (if known)
7	Has the country submitted a sole source procurement request?
8	Has the country submitted a request for waive of Non-Recurring Costs with adequate justification?
9	Does the overseas Contract Administration Services (CAS) surcharge apply?
10	<p>Has the country been in negotiation directly with a company to obtain the item on a direct commercial basis?</p> <p>If "Yes," the USG cannot provide any information until the country advises the USG in writing that it has terminated commercial negotiations. It is USG policy that sales via Government-to-Government FMS channels shall not compete with direct commercial sales. See Section C4.3.7.</p>
11	<p>Does current disclosure policy support this request (Yes/No)?</p> <p>Release-ability of secure communications, navigation, survivability equipment, and weapons related items.</p>
12	Additional Comments (special terms, requests, or legal requirements/issues).
13	Is a Country Team Assessment required and, if so, has it been provided? See Section C5.1.4. and Table C5.T1.
14	Have copies been submitted to DSCA (Operations Directorate) and DoS (PM).