



DEFENSE SECURITY COOPERATION AGENCY
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DD MMMM 2021

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, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE
AGENCY
DIRECTOR FOR SECURITY ASSISTANCE, DEFENSE FINANCE
AND ACCOUNTING SERVICE – INDIANAPOLIS OPERATIONS
DIRECTOR OF CYBERSECURITY DIRECTORATE AND DEPUTY
NATIONAL MANAGER FOR NATIONAL SECURITY SYSTEMS,
NATIONAL SECURITY AGENCY

SUBJECT: International Military Education and Training (IMET) Offsetting Collections
Guidance, Defense Security Cooperation Agency (DSCA) Policy 21-62 [SAMM E-
Change 543]

REFERENCES:

- a) SAA Examination NFR 2019-03 and NFR 2020-03: Key Controls to Support Business Processes and/or Financial Statement Assertions, 30 September 2019 and 30 September 2020
- b) IMET Collections Report – FY2021 Q1, 01 April 2021

This memorandum updates Chapter 10 of the Security Assistance Management Manual (SAMM) to add guidance to the Implementing Agencies (IAs) in order to increase accountability of inaccurate IMET Offsetting Collections transactions in its accounting systems. To remediate findings from Period of Performance 1 identified in reference (a) NFR 2019-03, on inaccurate postings explained in reference (b), DSCA developed a monitoring process to review offsetting collections transactions posted by the IAs to the Security Assistance Accounts (SAA) unadjusted trial balance.

After the end of each quarter, DSCA issues a self-identified deficiency and follows up with IAs that post inaccurate offsetting collections transactions in its accounting systems. IAs then

conduct root cause analysis and provide corrective actions to resolve and prevent future postings of transactions identified by DSCA within the report.

For any additional questions, please contact the DSCA Comptroller Accounting and Reporting mailbox (dsca.ncr.dbo.mbx.accounting-operations@mail.mil).

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J. Aaron Harding Chief Operating Officer and Chief
Financial Officer
Defense Security Cooperation Agency

Attachment:
As stated

Security Assistance Management Manual (SAMM), E-Change 543
IMET Offsetting Collections Guidance

1. Add C10.6.13.6. IMET Offsetting Collections:

C10.6.13.6. IMET Offsetting Collections. The IMET Account (Treasury Account Symbol 11 X 1081) is a component of the U.S. Security Assistance Accounts which provides training to selected foreign military and defense associated civilian personnel on a grant basis. IMET funds are issued to DSCA as a direct appropriation and there is no reimbursable authority associated with IMET. Given that Offsetting Collections transactions are funds acquired through reimbursement to offset expenses, these are considered reimbursable authority and should not be posted to the IMET account.