



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

16 SEPT 2021

MEMORANDUM FOR COMMANDERS OF THE COMBATANT COMMANDS
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
INTERNATIONAL PROGRAMS
DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
INTERNATIONAL AFFAIRS
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR, SECURITY ASSISTANCE, DEFENSE FINANCE AND
ACCOUNTING SERVICE
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE
AGENCY
DIRECTOR OF CYBERSECURITY DIRECTORATE AND DEPUTY
NATIONAL MANAGER FOR NATIONAL SECURITY SYSTEMS

SUBJECT: Revision to Letter of Offer and Acceptance (LOA) Document Processing
Performance Metric, Defense Security Cooperation Agency (DSCA) Policy 21-66
[SAMM E-Change 545]

Reference(s): (a) DSCA Policy 15-14 [SAMM E-Change 274], "Revision to Letter of Offer and
Acceptance (LOA) Document Processing Performance Metric," June 5, 2015.

(b) DSCA Policy 21-09 [SAMM E-Change 524], "Milestone Entry During Case
Development," April 20, 2021.

(c) DSCA Policy 19-34, [SAMM E-Change 439], "Clarification to Letter of Offer
and Acceptance (LOA) Document Assignment to LOA Case Development
Groups," August 15, 2019

(d) DSCA Policy 18-61, "Revision to Letter of Offer and Acceptance (LOA)
Document Processing Performance Metric," November 20, 2018.

(e) DSCA Policy 18-28, "Procedures for Offering Building Partner Capacity
(BPC) Letters of Offer and Acceptance (LOA)," October 5, 2018.

DSCA establishes milestones and standards for the length of time Implementing
Agencies (IAs) should take to prepare LOAs, Amendments, and Modifications using Foreign
Military Sales (FMS) processes. DSCA and the IAs collectively analyze actual performance

against established standards to inform, develop and execute changes to improve speed, flexibility, and responsiveness of FMS document preparation processes. Based on results from the most recent analysis, this memorandum updates the Security Assistance Management Manual (SAMM) to define and implement new milestones, standards, and related changes. The new standards are effective October 1, 2021.

LOA document development processing standards were last updated in June 2015 (reference (a)). References (b) through (e) provided additional guidance related to case development activities needing to achieve an 85% standard for four specific categories/types of LOA documents. Recent analysis shows the community is meeting the standards for Category A (45 days - blanket order), Category B (100 days - defined order), and Category D (60 days - Building Partner Capacity [BPC] or other non-FMS programs that use FMS processes) documents. However, research also indicates that the community is not meeting the standard for preparation of Category C documents (150 days – more complex cases).

DSCA and the Military Departments (MILDEPs) evaluated recent LOA document development data to identify issues impacting the preparation of Category C documents and identified the following issues and solutions:

1. Letter of Request (LOR) requirements are not refined prior to the start of case development. The current 85% within 150 days standard for Category C would become more achievable if the start time for the metric was delayed until after the requirements had been reviewed and expanded to ensure they were actionable. Changing the Category C standard to begin when the request is actionable will decouple requirements gathering from case development processes and provide a more accurate measurement of actual processing time.
2. Requirements are changed by the customer during the case development process. If significant, these changes can lead to major re-work. Allowing a restart of the performance measurement clock will more accurately capture IA processing time for the newly defined requirements.

The attached SAMM change (**E-Change 545**) provides updates needed to address these and related issues – significant changes included in the SAMM are as follows:

- Adds a new “LOR Actionable” milestone in the Defense Security Assistance Management System (DSAMS) to identify the date when the IA has determined that the LOR meets specific requirements needed to be actionable. Includes a list of mandatory criteria needed for documents to be considered actionable.
- Provides information on future DSAMS milestones for “LOR Assessment” and “LOR Insufficient” dates and the importance of measuring these activities.
- Confirms that the case development standards for Category A, B, and D documents remain 85% within 45, 100, and 60 days respectively, measured from “LOR Receipt” date to “Offer” (Category A and B) or “BPC Wait” (Category D). Case development for Modification documents continues to be measured to “Implementation.”

- Establishes a new standard for Category C documents at 85% within 150 days, measured from the “LOR Actionable” date to “Offer” to the purchaser.
- Provides policy allowing new “LOR Actionable” dates to be entered when significant requirement changes occur after case development has started. Includes a list of events that would qualify as “significant” for this purpose.
- Adds a “CPOHOLD” milestone to assist in capturing time when case development cannot continue. This information will be used to determine if time should be excluded from performance data on a case-by-case basis.

References (a) through (e) are superseded by this SAMM change. DSAMS changes incorporating “LOR Actionable” and “CPOHOLD” milestones will be available for use October 1, 2021. If you have questions or need additional information regarding this memorandum, please contact Ms. Vu-Tuyet Nguyen, DSCA ADM/CPO, vu-tuyet.t.nguyen.civ@mail.mil, (703) 697-9314.



Heidi H. Grant
Director

Attachment:

- E-Change 545

cc:

STATE/PM-RSAT

USASAC

USACE

SATFA TRADOC

NAVSUP WSS

NETSAFA

AFSAC

AFSAT

MARCOR IP

MCSC

USCG International Affairs

Security Assistance Management Manual (SAMM), E-Change 545

Revision to Letter of Offer and Acceptance (LOA) Document Processing Performance Metric

1. Delete Section C2.1.4.3.2 in its entirety and replace with the following:

C2.1.4.3.2. LOA Document Preparation Time. The actual time required to prepare LOA documents (LOAs, Amendments, and Modifications) varies with the type and complexity of the sale. See Section C5.4.2. for established standard timeframes for specific categories of LOA documents. SCOs should be familiar with case development standards and, when necessary, explain them to partner nation counterparts.

2. Delete Section C5.1.2.1. in its entirety and replace with the following:

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 items identified using the LOR checklist in Figure C5.F14. to avoid delays during the development of the LOA document. Partner nations should ensure that the request is complete and:

#	Guideline
1	Is submitted in accordance with criteria provided in Table C5.T3. to ensure it is actionable;
2	Identifies the desired defense articles and/or services in sufficient detail for the United States Government (USG) to prepare an accurate cost estimate;
3	Indicates whether Price and Availability (P&A) data, a Letter of Offer and Acceptance (LOA), an LOA Amendment, or an LOA Modification is desired;
4	If for a blanket order LOA, includes the desired materiel and services value or the desired total case value;
5	Indicates the proposed method of financing;
6	Identifies 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;
7	Contains the name and address of the originator and a traceable reference number, e.g., letter serial number; and
8	Identifies the intended/anticipated recipient unit for any defense articles and/or services to be purchased: <ol style="list-style-type: none"> 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

#	Guideline
	at the time of LOA signature, if applicable, by alerting the IA, which will input updated information into DSAMS.

3. Change Section C5.1.2.2. (first sentence) to the following:

C5.1.2.2. To assist purchasers to develop readily actionable LORs in accordance to C5.1.7.2.2., 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 purchaser.

4. Delete Section C5.1.7. in its entirety and replace with the following:

C5.1.7. Implementing Agency LOR Review.

C5.1.7.1. LOR Receipt and Acknowledgement. After receiving the LOR, the IA enters the LOR data in the DSAMS as a Customer Request and acknowledges receipt of the LOR to the FMS purchaser. Both the “LOR Date” (the date included on the actual request from the Purchaser) and the “LOR Receipt” date (the date the IA received the LOR, independent of any validation or assessment of whether it is actionable) must be entered into DSAMS. A Customer Request will be created in DSAMS for each LOR received. This includes creating separate Customer Requests for multiple LOA documents that are developed based upon one LOR. Creating a separate Customer Request for each LOA document will enable DSAMS to accurately measure the LOA development processing time of each document. IAs will forward LORs to other applicable IAs when the recipient IA is not authorized to offer some or all items on the LOR. Example: Air Force receives an LOR which contains a request for some Communications Security (COMSEC) products which must be offered on a National Security Agency (NSA) LOA, such as “S” type devices. In this instance, the Air Force will forward the LOR to NSA requesting case development for specific LOR item(s). NSA will provide their case identifier to the Air Force who will notify the FMS purchaser of both case identifiers and LOR details split between the IAs.

C5.1.7.2. LOR Assessment. Upon receipt of an LOR, the IA will assess the LOR to determine if the request/requirement submitted by the purchaser meets the actionable criteria as defined in Table C5.T3. The “LOR Date” and the “LOR Receipt” date must be entered in DSAMS customer request window prior to assessment of the LOR. A milestone entry for “LOR Assessment” date, including multiple iterations is planned for a future DSAMS release. In the interim, the IAs are encouraged to track the LOR Assessment period to capture and analyze the time it takes for this activity. The “LOR Assessment” date is defined as the date the LOR Assessment period begins. While it is expected that this date will be close to the “LOR Receipt” date, there may be legitimate reasons (e.g., holidays and weekends) why the dates do not match exactly. The LOR Assessment period ends at either “LOR Insufficient” or “LOR Actionable,” whichever occurs first.

C.5.1.7.2.1. LOR Insufficient. If an LOR does not meet the mandatory requirements found on Table C5.T3., it is considered insufficient and case development activities (to include case

initialization) cannot be started until more information is obtained or clarified with the purchaser. The “LOR Insufficient” date is defined as the date that the LOR Assessment process has determined that the LOR does not meet the mandatory actionable criteria as defined in Table C5.T3. Requests for Information will be sent to the purchaser to address information needed prior to the start of case development. A milestone entry for “LOR Insufficient” date, including capability for multiple iterations, is planned for a future DSAMS release. In the interim, the IAs are encouraged to track this date to capture and analyze the time it takes for an LOR to reach actionable status. When the new milestone is available in DSAMS, the SAMM will be updated to reflect its availability and any requirements for mandatory use.

C5.1.7.2.2. LOR Actionable. Once an LOR, to include any additional information provided by the purchaser, meets the mandatory requirements found on Table C5.T3., it is considered actionable and the IA may proceed with case development actions. An “LOR Actionable” date must be entered into DSAMS before case development activities may begin for Category C documents. The “LOR Actionable” date is defined as the date that the LOR Assessment process has determined that the LOR meets, at a minimum, the mandatory actionable criteria as defined in Table C5.T3. To enter the “LOR Actionable” date in the Case Milestone Window, the case must first be initialized. The “LOR Actionable” date should then be entered upon case initialization. This milestone is mandatory for Category C documents (since it is the starting point for the case development clock) and optional for all other categories. The time period between “LOR Receipt” and “LOR Actionable” should be minimized to the extent possible. While no performance standard is set for this time period, IAs are encouraged to conduct additional research or follow-up with purchasers if an LOR does not reach actionable status within 30 days of receipt. Even though the LOR is considered actionable, further information may be needed to complete LOA document processing. Requests for Information will be sent to the purchaser to address remaining issues prior to entry of the “LOR Complete” date in DSAMS.

Table C5.T3. Letter of Request (LOR) Actionable Criteria

#	Criteria	Mandatory Prior to Case Development Start
1	Potential purchaser is an eligible FMS recipient. See Section C4.1.	Yes
2	The item sought may be sold. See Section C4.4. and Section C4.5.	Yes
3	The request was submitted and received through proper channels. See Section C5.1.3.	Yes
4	No sanctions exist that would prevent an LOA from being prepared and/or offered to the purchaser. See Section C6.6.	Yes
5	Determine whether the purchaser is authorized Dependable Undertaking.	No
6	The request is a valid military requirement of the purchaser.	Yes

#	Criteria	Mandatory Prior to Case Development Start
7	The LOR has been submitted by a partner national representative with the authority to submit requests on behalf of the requesting country or international organization.	Yes
8	Determine whether the request is for a Letter of Offer and Acceptance or for Price and Availability data.	Yes
9	An appropriate source of funding is identified to indicate the appropriate terms of sale (e.g. national funds, Foreign Military Financing non-repayable, etc.).	Yes
10	The request is specific enough to enable a contracting officer to obtain pricing data. Requirements must include, but are not limited to: commodity, quantity, configuration/ customization, required delivery date, required years of support.	Yes
11	Determine if Country Team Assessment (CTA) and Combatant Command (COCOM) Endorsement is required. If a CTA and COCOM Endorsement is required, ensure it is has been provided.	Yes
12	Determine whether the country has been in negotiation directly with a company to obtain the item on a direct commercial basis. See Section C4.3.7.	No
13	Determine if the purchaser is requesting sole source procurement. See Section C6.3.4.	No
14	Determine whether the partner nation has submitted a request to waive non-recurring costs. See Section C9.6.3.	No
15	Determine whether overseas Contract Administration Services (CAS) surcharge applies. See Table C9.T4.	No
16	<p>Ensure the LOR contains the following (as appropriate):</p> <ul style="list-style-type: none"> • All hardware requirements are specified, including identifying designation • Determine whether non-standard equipment is required • Determine whether a site survey is required • Support and training requirements are identified • Transportation requirements are identified • Determine whether Communications Security (COMSEC) release is needed • Identify if there are diminishing resources and supply issues with the weapon system identified • Technical assistance requirements are identified (see below examples) 	No

#	Criteria	Mandatory Prior to Case Development Start
	<ul style="list-style-type: none"> ○ Initial/long term follow-on maintenance requirements for support (e.g., organizational, intermediate, depot level) ○ Contractor logistics support requirements ○ Contractor post-production support ○ Contractor in-country support requirements ● Other Total Package Approach (TPA) requirements are identified (e.g., Targeting Infrastructure Requirements, etc.) 	
17	Have copies been submitted to DSCA (IOPS) and DoS (PM)? If not, ensure that copies are sent as required per Section C5.1.3.	No

C5.1.7.2.3. LOR Complete. Once an LOR, to include any additional information provided by the purchaser, contains all information needed to complete case development, an “LOR Complete” date must be entered into DSAMS. This indicates the date when all applicable criteria in Table C5.T3. have been met and all Requests for Information have been addressed. The “LOR Complete” date must be entered into DSAMS prior to sending the LOA document to the Case Writing Division (CWD).

C5.1.7.3. LOR Changes During Case Development. During the time period between when an LOR is deemed actionable and the presentation of an offer, a purchaser may significantly change previously-provided requirements. This may result in rework by the IA for any case development work already completed based on the original information. In these instances, the IA may enter new dates in DSAMS (e.g., new “LOR Actionable” date) to allow more accurate tracking of case development activities against standard timeframes. Criteria for what would qualify as significant for purposes of measuring from the new “LOR Actionable” date include:

#	LOR Changes Considered “Significant” for new LOR Actionable Date
1	If requirement changes result in failure to meet mandatory actionable criteria in Table C5.T3.
2	Increase or addition of case value that causes a LOA document that was previously below Congressional Notification (CN) thresholds to now meet CN thresholds.
3	Increase or addition of case value that causes a LOA document that was previously notified, to exceed the program value submitted on the CN.
4	Addition or change of Major Defense Equipment or Significant Military Equipment that would require revision to CN packages or submittal of new waivers, release, or disclosure packages.
5	Addition of country-specific software, not previously included as a requirement, that requires weapon system integration.

#	LOR Changes Considered “Significant” for new LOR Actionable Date
6	Addition of sole source pricing, not previously included as a requirement, that causes pricing efforts to restart.
7	Addition of Not to Exceed (NTE), not previously included as a requirement, that causes pricing efforts to restart.

C5.1.7.4. Internal Controls and Oversight for Performance Milestones. DSCA requires that all IAs establish, publish, and enforce internal control and oversight mechanisms within their organizations to ensure all DSAMS case-related data entries are timely and accurate. The controls must include sample review of date entries for accuracy (e.g., “LOR Date,” “LOR Receipt” date, “LOR Actionable” date, etc.) as well as adherence to published standards. IA-specific guidance must identify offices responsible for compliance and potential improvement actions (e.g., provision of training related to persistent concerns). IAs must develop and publish their internal control and oversight guidance and provide copies (both initial guidance and future updates) to DSCA/ADM/CPO.

- Delete Section C5.4.2. in its entirety and replace with the following:

C5.4.2. LOA Document Preparation Timeframe. The time required to prepare LOA documents (LOAs, Amendments, and Modifications) varies with the complexity of the sale. Standards are established and tracked by specific case category as shown on Table C5.T6. The IA is responsible for assigning a case development category to each LOA document for tracking against the specific standard in accordance with guidance provided in Table C5.T6. The IA must enter the applicable case development category into DSAMS when the case is created. For Category A, B, and C documents, the IA sends a copy of the LOA document to the purchaser (through the SCO as appropriate) once the LOA document has reached “Offered” status. For Category D documents, after DSCA has countersigned the LOA document, it is sent to the IA for USG signature and acceptance.

Table C5.T6. Case Development Categories and Standards

Category	Description	Standard	Clock Start	Clock Stop
A	Blanket order LOAs (including blanket order training); Cooperative Logistics Supply Support Arrangements (CLSSAs), and associated Amendments and Modifications. Note: Modifications for cases that were originally prepared as Category C documents will be prepared using Category A or B standards.	85% within 45 days	LOR Receipt	Offer

Category	Description	Standard	Clock Start	Clock Stop
B	<p>Defined order LOAs (including defined order training) and associated Amendments and Modifications.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. An LOA document originally assigned to Category B can be re-assigned by the IA to Category C if the IA subsequently determines the document meets the requirements of Category C. 2. Modifications for cases that were originally prepared as Category C documents will be prepared using Category A or B standards. 	85% within 100 days	LOR Receipt	Offer
C	<p>Defined Order LOAs, and associated Amendments with specific factors that are expected to significantly impact the LOA document development processing time. See Figure C5.F13. for a list and definition of eligible factors.</p> <p>Note: Modifications for cases that were originally prepared as Category C documents will be prepared using Category A or B standards.</p>	85% within 150 days	LOR Actionable	Offer
D	<p>Building Partner Capacity (BPC) (or other non-FMS programs that use FMS processes and procedures) and associated Amendments and Modifications.</p> <p>Note: All BPC LOAs and associated Amendments and Modifications must be tracked as Category D regardless of the type of items included on the document. While these documents may include Blanket Order or Defined Order articles and services, they are inherently BPC cases. Assignment of BPC case documents to Category A, B, or C is not allowed.</p>	85% within 60 days	LOR Receipt	BPC Wait

C5.4.2.1. Case Development Extenuating Factor (CDEF). A CDEF identifies a reason why the processing time of an LOA document might exceed the standards from Table C5.T6. Once the IA has determined that its ability to meet the case development standard will be impacted for a given LOA document, the IA should enter a CDEF reason code in DSAMS. A CDEF can be

applied to all preparation categories, but is mandatory for LOA documents in Category C. One or more CDEFs can be applied to an LOA document. When entering a CDEF reason code, the IA must include an estimated number of days the CDEF will take to be resolved and, once resolved, the IA must go back into DSAMS to enter the actual number of days that were required to resolve the CDEF issue. DSAMS will not allow the LOA document to be signed (MILSGN) until the actual number of days it took to resolve the CDEF is entered. This will enable the IA and DSCA to measure the impact of specific CDEFs on our ability to meet the case development standards. A list of CDEFs is identified in Figure C5.F13. This list should also be used when determining what LOA documents should be tracked as Category C.

Figure C5.F13. Case Development Extenuating Factors (CDEFs)

#	Factor	Definition or Examples
1	First time purchase of defense article or service by an FMS purchaser	<ul style="list-style-type: none"> Initial sale of a specific major defense item to a country or international organization. Requires assessment, planning, or acquisition of infrastructure, facilities, supply chain, technical training, organizational training, force restructure, force realignment, or employment or doctrinal development support.
2	First time FMS purchase by a specific country or international organization	<ul style="list-style-type: none"> Sales to countries or international organizations with limited or no experience with USG FMS. The experience and culture of the purchaser is expected to impact case development.
3	Case requires engineering, system integration, or special acquisition	<ul style="list-style-type: none"> Any case requiring developmental engineering, systems integration or special acquisition to replace, augment, or improve end item baseline subsystems, components or parts. Major system cases pulling numerous systems together for integration into a major weapon system platform. Efforts include systems where tactical data links are required such as Link 16. Special acquisition or integration requirements for installation of non-US subsystems on US weapons platform.
4	Requested use of the system is different from its use by U.S. military forces	<ul style="list-style-type: none"> Any purchaser intending to use USG-developed materiel to meet requirements or function in a manner different from the article's original design. Example: a Navy ship missile to be fired from an Army or foreign country's helicopter.
5	Detailed release or disclosure coordination required 5a. Technology Release 5b. Policy Release	<ul style="list-style-type: none"> Requirement to work with other IAs to get approvals for release. Includes (a) Technology Release Processes (i.e., LO/CLO/Tri-Service); (b) Exception to National Disclosure Policy (ENDP).

#	Factor	Definition or Examples
6	Complex pricing effort required 6a. Contractor Pricing Delays	<ul style="list-style-type: none"> • Efforts on a major weapons platform which pulls many MDE, SME, or non-standard components in from various sources. • The PMs have to ensure that the pricing efforts include the capability to meet all US financial requirements and that they directly correlate with the purchaser requirements for delivery. • Includes (a) Contractor Pricing delays.
7	Extraordinary coordination required inside or outside the IA 7a. Congressional Notification 7b. Waiver Required 7c. Excess Defense Articles (EDA)	<ul style="list-style-type: none"> • Working with other IAs to get approvals for release of required items, multi-country consortium approvals, as well as hybrid sales which contain both FMS and DCS elements. • Includes (a) Any case that requires congressional notification. • Includes (b) Requirement for waivers, accomplished simultaneously, IF completion of those waiver requests will extend the case development time. • Includes (c) EDA cases that require congressional notification or resourcing through the EDA process.
8	Purchaser LOR Incomplete 8a. Changing Requirements	<ul style="list-style-type: none"> • Changing Requirements.
9	Funding Issues or Delays	<ul style="list-style-type: none"> • Instances where the purchaser does not have funding readily available to cover case requirements (such as when the purchaser has to wait for their yearly allotment of FMF to be allocated). • Billing issues, Obligation Authority adjustments, or over-commitment conditions on modifications and amendments where interface with the Defense Integrated Financial System is required.
10	Other	<ul style="list-style-type: none"> • Unique circumstances requiring detailed milestone explanation in DSAMS.

C5.4.2.2. Holds During Case Development. Recognizing that there will be times when circumstances outside our control will keep the USG from meeting the standard timeframes, case development standards (see Table C5.T6.) are set at 85 percent (vice 100 percent). In rare circumstances, there may be instances where the IA is unable to complete any further processing on an LOA document. In these cases, the IA may request that DSCA enter a “CPOHOLD” in DSAMS to track this time period. The request must be unique in nature (such as a Hold by a member of Congress, USD policy position, etc.) and cannot be a part of a routine or standard process (such as standard/mandatory Congressional Notification or Technology Security and Foreign Disclosure processes, etc.).

C5.4.2.2.1. **CPOHOLD Criteria.** A “CPOHOLD” milestone can only be approved and entered by DSCA/ADM/CPO. Entry of this milestone and tracking of the start and end dates will allow DSCA/ADM/CPO to determine, on a document-by-document basis, whether the captured time should be deleted from the case development performance metrics. Requests submitted for a “CPOHOLD” must include assertion that no further processing (parallel or sequential) is possible and include an endorsement from their organization’s security cooperation policy office or other appropriate office assigned for consistent review and approval of IA “CPOHOLD” requests. Multiple “CPOHOLDS” can occur at the same time to reflect different process impediments.

C5.4.2.2.2. **CPOHOLD Submission Requests.** DSCA/ADM/CPO is responsible for reviewing all requests for a “CPOHOLD” and for making a determination to approve or disapprove. IAs must submit the requests for “CPOHOLD” to the DSCA CPO LOA Hold Mailbox, dscanrcpo.mbx.cpo-hold@mail.mil. The following information must be included in the request:

- 1) Case identifier,
- 2) Reason for request,
- 3) Justification for why the issue is out of DSCA and/or IA control and further processing is not possible,
- 4) Estimated timeframe when this issue/action will be resolved,
- 5) Endorsement from IA leadership, and
- 6) Point of contact who will provide updates and respond to queries for status.

C5.4.2.2.3. **CPOHOLD Processing.** DSCA/ADM/CPO will acknowledge receipt of the requests for “CPOHOLDS” within 24 business hours. DSCA/ADM/CPO will review the request and, if necessary, will reach out to the subject matter experts (SMEs) for their input, and provide a response to the IA within 5 calendar days of receipt. If the request is approved, ADM/CPO will post the “CPOHOLD” start date in DSAMS, including comments and reasons for the hold, and notify the IA. If the request is denied, DSCA/ADM/CPO will provide an explanation to the submitter via e-mail. For approved “CPOHOLDS,” the IA will provide an update on the status of the issue to DSCA/ADM/CPO on a monthly basis until the issue has been resolved and the hold can be lifted. An e-mail from the IA to DSCA/ADM/CPO is sufficient for providing these updates. Once the issue has been resolved, the IA will notify DSCA/ADM/CPO and provide supporting documentation. DSCA/ADM/CPO will post the “CPOHOLD” end date in DSAMS.

C5.4.2.3. **Changes in Purchaser Requirements after Case Development Started.** After an LOR has been deemed actionable and case development activities are underway, there is still a possibility that the purchaser’s requirements could change. Changes may be caused for a number of reasons that are unique to the purchaser and case. Processing requirements differ depending on the significance of the changes and when in the process they occur.

C5.4.2.3.1. **Requirement Changes Prior to Offer.** If the case requirements change before the LOA document has been offered to the purchaser, the LOA document should be adjusted and

updated to reflect any changes that are suitable for inclusion. As with the initial requirements, the IA must review any changes in accordance with the criteria on Table C5.T3. to see if the updated requirements are allowable. If the requirements changes are minor, the IA should incorporate them into the current development effort without change to the document milestones. If the requirements changes are significant (in accordance with Section C5.1.7.3.), the IA must enter a new “LOR Actionable” date to allow tracking of the document preparation against the revised date.

C5.4.2.3.2. Requirement Changes After Offer - Restatements. There may be times when major changes need to be made to a document after it has been countersigned and offered to the purchaser. If the purchaser wants to retain the existing designator (instead of cancelling the offer and issuing a new case), the offered document may be restated. Restatements can be made as long as: (1) the document is in offered status; and (2) the purchaser has not yet signed the document; and (3) the Offer Expiration Date (OED) has not yet expired; and (4) all changes are consistent with FMS policies and procedures. See Section C6.7.1.4. for more information on restatements. DSAMS will automatically revise the original customer request status of an LOA document from “LOR Complete” to “LOR Restate” once an IA selects the restatement tool in DSAMS. The IA must revise the customer request status in DSAMS from “LOR Restate” to “LOR Complete” before DSAMS will allow the MILDEP Approval (MILAP) on the restated LOA document. For purposes of measurement against the standard, DSCA measures to the first offer date. Restatements should also be tracked and analyzed by the IAs to inform business practices and identify individual purchaser trends.

6. Delete Section C5.4.13.1. and replace with the following. Subsequent paragraphs within this section (e.g. Section C5.4.13.1.1., etc.), to include all Tables and Figures in this section remain unchanged.

C5.4.13.1. Preparation of LOA Documents. Preparation of Basic LOAs, Amendments, and Modifications is divided between the IAs and the DSCA Case Writing Division (CWD). LOA documents progress through various milestones and statuses within DSAMS prior to Offer to the purchaser. Table C5.T8. shows the basic allocation of case development responsibilities between the IAs and the CWD. Table C5.T9. shows the totality of LOA document preparation milestones from Case Initialized to Case Implemented. To ensure consistency of application and allow for more accurate measurement of case preparation against the standards provided in Table C5.T6., definitions for the following milestones/statuses are provided here in more detail in Table C5.T18.:

Table C5.T18. LOR Milestone Definitions

Milestone/Status	Entered in DSAMS By	Definition
LOR Date	IA	<ul style="list-style-type: none"> • Date included on the actual request from the purchaser.

Milestone/Status	Entered in DSAMS By	Definition
LOR Receipt	IA (through the customer request window)	<ul style="list-style-type: none"> • Date the IA received the LOR, independent of any validation or assessment of whether it is actionable. • “LOR Receipt” date is the “clock start” point for Category A, B, and D documents.
LOR Assessment NOTE: This milestone is not yet in DSAMS. Tracking and analysis of this milestone will be at the discretion of the IA until DSAMS is updated.	IA	<ul style="list-style-type: none"> • The process used to determine if the request submitted by the purchaser meets the actionable criteria in Table C5.T3. • The “LOR Assessment” date is the date the LOR Assessment period begins. While it is expected that this date will be close to the “LOR Receipt” date, there may be legitimate reasons why the dates do not match exactly. • The LOR Assessment ends at “LOR Insufficient” or “LOR Complete,” whichever occurs first.
LOR Insufficient NOTE: This milestone is not yet in DSAMS. Tracking and analysis of this milestone will be at the discretion of the IA until DSAMS is updated.	IA	<ul style="list-style-type: none"> • An LOR that does not meet the mandatory criteria found on Table C5.T3. is considered insufficient. • The “LOR Insufficient” date must be entered into DSAMS and is the date that the LOR Assessment process has determined that the LOR does not meet the mandatory actionable criteria as defined in Table C5.T3. • Case development activities, to include case initialization, cannot be started until more information is obtained or clarified with the purchaser.
LOR Actionable	IA	<ul style="list-style-type: none"> • An LOR that meets the mandatory requirements found on Table C5.T3. is considered actionable. • The “LOR Actionable” date must be entered into DSAMS and is the date that the “LOR Assessment” process determined that the LOR meets the mandatory actionable criteria as defined in Table C5.T3. • IA may proceed with case development actions once this milestone is entered.

Milestone/Status	Entered in DSAMS By	Definition
		<ul style="list-style-type: none"> • The time period between “LOR Receipt” and “LOR Actionable” should be minimized to the extent possible. • “LOR Actionable” date is the “clock start” point for Category C documents
LOR Complete	IA	<ul style="list-style-type: none"> • Date when all applicable criteria in Table C5.T3. have been met and all Requests for Information have been addressed. • Once an LOR, to include any additional information provided by the purchaser, contains all information needed to complete case development, an “LOR Complete” date must be entered into DSAMS. This must occur before the document can be sent to DSCA CWD for action.
BPC Wait	DSAMS-generated	<ul style="list-style-type: none"> • Date when BPC case documents (Category D) have completed all development actions and are awaiting funding approval. • This happens automatically when DSCA CWD changes the document to Review status. • “BPC Wait” is the “clock stop” point for Category D documents.
Offer Status	DSAMS-generated	<ul style="list-style-type: none"> • Date when the document is ready to offer to the purchaser. • This happens automatically when the countersignature date is entered in DSAMS by DSCA CWD. • Offer status is the “clock stop” point for Category A, B, and C documents.