



DEFENSE SECURITY COOPERATION AGENCY

2800 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-2800

12 OCT 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 FOR SECURITY ASSISTANCE, DEFENSE FINANCE
AND ACCOUNTING SERVICE – INDIANAPOLIS OPERATIONS
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,
NATIONAL SECURITY AGENCY

SUBJECT: Security Assistance Management Manual (SAMM), Administrative Changes,
Defense Security Cooperation Agency (DSCA) Policy 21-75 [SAMM E-Change
552]

This memorandum updates the SAMM with clerical and administrative changes. This memorandum does not contain contextual policy changes. DSCA will issue contextual changes to the SAMM under a separate policy memo/SAMM E-change. These administrative changes will be included in the online version of the SAMM at <https://samm.dsca.mil>.

The SAMM changes identified in this memorandum are effective immediately. For questions, please contact Mr. Jason Evans, Jason.l.evans8.civ@mail.mil, 703-697-2661.

A handwritten signature in blue ink that reads "Alan Gorowitz".

Alan Gorowitz
Assistant Director
Strategy, Plans, and Policy

Attachment:
As stated.

cc:

STATE/PM-RSAT
AFRICOM
CENTCOM
EUCOM
INDOPACOM
NORTHCOM
SOCOM
SOUTHCOM
TRANSCOM
USASAC
TRADOC/SATFA
USACE
NAVSUP WSS
NAVICP
NETSAFA
AFSAC
AFSAT
DSCU
MARCOR IP
SCETC
USCG International Affairs (G-CI)

**Security Assistance Management Manual (SAMM), E-Change 552
Administrative Changes**

Notice: Changes are highlighted in **RED TEXT** for each SAMM Admin change below.

1. Update E-SAMM Appendix 7, Chapter 2, Figure 5, Rows 20, 21, and 22 to read as follows:

Item #	What To Review	LOA	DIFS	IA System ₁	Case Dir	Case File	Case Mgr Records	Funding Docs	Shipment Docs	Voucher/ Expns	End Of Review Timeframe	What To Do (Reconciliation) ²
Section 1: General Case Data												
20	Review and resolve problem disbursements		X	X	X	X	X	X		X	Before transitioning to C3 status	If the case has problem disbursements, review funding documents and validate commitments, obligations and expenditures against IA system. If valid and no additional OA available, prepare case mod/amend to increase case or realign funds via case mod/amend. If invalid, prepare correction package IAW local IA/Command procedures for processing.
21	Obtain billings and current information on reimbursable documents			X		X	X	X		X	C3 (final ACCP closure)/ C1 (non-ACCP closure) status	Obtain finals on reimbursable documents within 90 days after funding document expires. Field activities should submit quarterly billing information. To avoid multiple requests, send a consolidated list of missing finals to the field activity performing the work. Keep on top of reimbursable documents.

Item #	What To Review	LOA	DIFS	IA System 1	Case Dir	Case File	Case Mgr Records	Funding Docs	Shipment Docs	Voucher/ Expns	End Of Review Timeframe	What To Do (Reconciliation) ²
22	Review and ensure all travel orders/vouchers are liquidated		X	X		X	X	X		X	C3 (final ACCP closure)/ C1 (non-ACCP closure) status	Travel vouchers are a reconciliation problem. Ensure that vouchers are submitted within 5 days of travel completion. Obtain copy of travel voucher when paid by DFAS. For invitational travel orders or when travel funds are sent to other activities, do not issue additional travel funds until all paid vouchers have been received. Upon receipt of paid travel voucher ensure all funds are liquidated and deobligate any excess funds.

2. Update SAMM section C7.15.2 to read as follows in order to clarify security requirements for materiel with a Security Risk Category.

○ Current Wording:

- **C7.15.2. SRC II through IV.** Collectively, these categories include everything from light automatic weapons and ammunition to non-automatic weapons and ammunition. These items must be exported and moved under Delivery Term Code (DTC) 7, 8, or 9 procedures through a DoD-controlled Port of Embarkation. This requirement cannot be waived.

○ Revised Wording:

- **C7.15.2. SRC II through IV.** Collectively, these categories include everything from light automatic weapons and ammunition to non-automatic weapons and ammunition. These items must **move through a DoD-controlled Port of Embarkation and maintain security procedures consistent with** Delivery Term Code (DTC) 7, 8, or 9. This requirement cannot be waived. **Please consult the Defense Security Cooperation Agency, Office of Strategy, Plans and Policy, Execution Policy and Analysis (DSCA/SPP/EPA) for clarification of any requirements.**

3. Update SAMM section C5.4.12 to read as follows:

○ Current Wording:

- **C5.4.12. Pre-Case Reviews (PCR) for New LOAs.** DSCA may conduct a Pre-Case Review (PCR) with the IAs and other stakeholders on new LOAs during case development and before the IA submits the case to CWD for review. The purpose of the Pre-Case Review (PCR) is to identify issues and discrepancies in the LOA so that the IA can address them before the case is submitted to the Case Writing Division (CWD) for review and to reduce the amount of rework during case development. A PCR is not appropriate or necessary for all LOAs, but should be considered for cases meeting the criteria in SAMM Section C5.4.12.1. The DSCA IRT Lead or Deputy is the final decision authority for whether or not a PCR should be held. The IA may request a PCR through the DSCA Country Program Director (CPD) for cases meeting the listed criteria. If a PCR is approved, the DSCA IRT Lead or Deputy will assign an IRT representative to serve as the PCR lead. It is the responsibility of the PCR Lead to coordinate and schedule the PCR, facilitate the meeting, assign actions, capture and disseminate meeting notes and action items, and conduct follow-up actions, as appropriate.

○ Revised Wording:

- **C5.4.12. Pre-Case Reviews (PCR) for New LOAs.** DSCA may conduct a Pre-Case Review (PCR) with the IAs and other stakeholders on new LOAs during case development and before the IA submits the case to CWD for

review. The purpose of the Pre-Case Review (PCR) is to identify issues and discrepancies in the LOA so that the IA can address them before the case is submitted to the Case Writing Division (CWD) for review and to reduce the amount of rework during case development. A PCR is not appropriate or necessary for all LOAs, but should be considered for cases meeting the criteria in SAMM Section C.5.4.12.1. The DSCA IRT Lead or Deputy is the final decision authority for whether or not a PCR should be held. The IA **will** request a PCR through the DSCA Country Program Director (CPD) for cases meeting the listed criteria. If a PCR is approved, the DSCA IRT Lead or Deputy will assign an IRT representative to serve as the PCR lead. It is the responsibility of the PCR Lead to coordinate and schedule the PCR, facilitate the meeting, assign actions, capture and disseminate meeting notes and action items, and conduct follow-up actions, as appropriate.

4. Update SAMM Section C15.3.6 to read as follows:

o Current Wording:

- C15.3.6. Notes. Notes on a Pseudo LOA do not represent the terms and conditions of an international agreement, but rather they communicate case information necessary for proper handling of the case and case material. Appendix 6 lists standard notes applicable to BPC cases. The IA is responsible for adding non-standard notes, as required. Line item description notes for training, service, or technical assistance lines will include an explanation of the category of service (severable or non-severable) along with the expected period of performance for services.

o Revised Wording:

- C15.3.6. Notes. Notes on a **BPC** LOA do not represent the terms and conditions of an international agreement, but rather they communicate case information necessary for proper handling of the case and case material. Appendix 6 lists standard notes applicable to BPC cases. The IA is responsible for adding non-standard notes, as required. Line item description notes for training, service, or technical assistance lines will include an explanation of the category of service **stated as severable or non-severable** along with the expected period of performance for services.

5. Update LOA Note “Line Item [Insert Line Item Number] Description” in Appendix 6 as follows:

Line Item [Insert Line Item Number] Description

Note Usage
FMS: Yes

BPC : Yes
Mandatory for each line on the FMS and BPC LOA Modifications and Amendments unless all line item description information can fit beneath the MASL description. If any one line item requires a Line Item Description note, a Line Item Description note must be included for each line item.
References
See Figure C5.F6.
Note Input Responsibility
IA
Note Text
Varies - wording must be determined on a line-by-line basis. Wording must include a detailed description of items being sold or services performed.
The IA is responsible for adding non-standard notes, as required. Line item description notes for training, service, or technical assistance lines will include an explanation of the category of service stated as severable or non-severable along with the expected period of performance for services.

6. Update E-SAMM Chapter 15, Table 2 Economic Support Fund (ESF) Code V8 to read as follows:

PGM CODE	PROGRAM AUTHORITY	PURPOSE	FUND SOURCE	APPN AUTHORITY	FUNDS AVAILABILITY ENDS ON SEPTEMBER 30 OF: UNLESS OTHERWISE NOTED	FUNDS CANCEL ON SEPTEMBER 30 OF:
V8	FAA Section 531(a)	Promote and advance U.S. interests by providing assistance to meet political, economic, and security needs.	FAA Sec 632(b) MOA and Amendments	P.L. 113-325	2016	2025

7. Update E-SAMM Chapter 15, Table 2 Peacekeeping Operations (PKO) – Africa Code QT to read as follows:

PGM CODE	PROGRAM AUTHORITY	PURPOSE	FUND SOURCE (DOD OR FAA SEC 632(B) MOA)	APPROPRIATION AUTHORITY	REPROGRAMMING AUTHORITY ENDS ON SEPTEMBER 30 UNLESS OTHERWISE NOTED	FUNDS CANCEL ON SEPTEMBER 30 (WITHOUT REPROGRAMMING AUTHORITY)	FUNDS CANCEL ON SEPTEMBER 30 (WITH REPROGRAMMING AUTHORITY)
QT	FAA Section 551 (22 U.S.C. Section 2348)	Build international peacekeeping capacity and promote regional security operations	FAA Sec 632(b) MOA and Amendments (Various - use appropriation on MOA provided)	P.L. 116-94 FY20 (2 year)	2025	2026	2030

8. Update E-SAMM Chapter 5, Table 17 Thresholds and Notification Periods under CN Threshold to read as follows:

LEAD NATION AND PARTICIPANTS	CN THRESHOLD	NOTIFICATION PERIOD
NSPA with all NATO Participating Nations	\$14M MDE or \$50M Total Case Value	15 days
NATO member with all NATO Participating Nations	\$25M MDE or \$100M Total Case Value	15 days
Any Lead Nation with one or more non-NATO Participating Nations	\$14M MDE or \$50M Total Case Value	30 days

9. Update E-SAMM Policy Memorandum 21-73 Implementation Guidance to read as follows:

- Current Wording:

- **FMS Cases in "Offered" Status Prior to 1 October 2021.**

LOAs "offered" prior to 1 Oct 2021, will not reflect the lower admin surcharge Initial Deposit amount based on 35 percent. These LOAs will still reflect the 50 percent FMS Administrative Surcharge Initial Deposit amount. The partner must request a pen and ink change from their respective Country Financial Director (CFD) and Implementing Agency (IA) Case Manager if they want the initial deposit reduced. The pen and ink change will be made to the front page of the Letter of Offer and Acceptance initial deposit value, as well as the payment schedule outlined in the LOA, to reflect the 35 percent initial deposit requirement and updated payment schedule. The IA Case Manager must add a case note referencing the change for auditability. After the funds are received, DSCA will coordinate with DFAS to implement the case.

- **FMS Cases in "Accepted" Status Prior to 1 October 2021.**

LOAs in "accepted" status prior to 1 Oct 2021 can no longer receive a pen and ink change. If the partner wants to pay the 35 percent initial deposit, they can request a deferment of the 15 percent difference to a later point in time through a waiver from their respective CFD and IA Case Manager. The IA Case Manager must add a case note in reference to the deferment for auditability. After the funds are received, DSCA will coordinate with DFAS to implement the case and defer the remaining initial deposit. This does not require a restatement of the LOA.

a. Revised Wording:

- **FMS Cases in "Offered" Status Prior to 1 October 2021.**

LOAs "offered" prior to 1 Oct 2021, will not reflect the lower admin surcharge Initial Deposit amount based on 35 percent. These LOAs will still reflect the 50 percent FMS Administrative Surcharge Initial Deposit amount. The partner must request a pen and ink change from their respective Country Financial Director (CFD) and Implementing Agency (IA) Case Manager if they want the initial deposit reduced. The pen and ink change will be made to the front page of the Letter of Offer and Acceptance initial deposit value, as well as the payment schedule outlined in the LOA, to reflect the 35 percent initial deposit requirement and updated payment schedule. The IA Case Manager must add a case **remark** referencing the change for auditability. After the funds are received, DSCA will coordinate with DFAS to implement the case.

- **FMS Cases in "Accepted" Status Prior to 1 October 2021.**

LOAs in "accepted" status prior to 1 Oct 2021 can no longer receive a pen and ink change. If the partner wants to pay the 35 percent initial deposit, they can request a deferment of the 15 percent difference to a later point in time through a waiver from their respective CFD and IA Case Manager. The IA Case Manager must add a case **remark** in reference to the deferment for auditability. After the funds are received, DSCA will coordinate with DFAS to implement the case and defer the remaining initial deposit. This does not require a restatement of the LOA.