



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

07 MAR 2022

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: Defense Security Cooperation Agency Policy Memorandum 22-03, Closure  
Guidance for Certain Afghanistan Security Forces Fund (ASFF)-Funded Building  
Partner Capacity Cases

REFERENCES:

- a) Defense Security Cooperation Agency [Policy Memorandum 21-67](#), “Immediate Return of Unobligated Afghanistan Security Forces Fund”
- b) Defense Security Cooperation Agency Memorandum, “Disposition of Afghanistan Security Forces Fund (ASFF)-Procured Equipment as Department of Defense (DoD) Stocks”, March 1, 2021
- c) DoD Notification Letters to the Congressional Appropriations Committees, and Armed Services Committees Concerning Treatment of ASFF-Funded Equipment as DoD Stocks, December 10, 2021

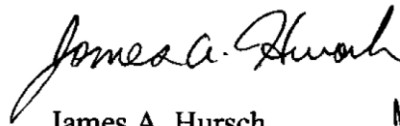
This policy memorandum supersedes Defense Security Cooperation (DSCA) Policy Memorandum 21-67, “Immediate Return of Unobligated Afghanistan Security Forces Funds” (reference (a)), and provides administrative direction regarding case closure of Afghanistan Security Forces Funds (ASFF)-funded Building Partner Capacity (BPC) cases for equipment which is considered to be Department of Defense (DoD) stocks. The substantive portions of DSCA Policy Memorandum 21-67 that remain valid are restated in this guidance memorandum.

Effective immediately, Implementing Agencies (IAs) are directed to follow guidance attached to this policy when closing BPC cases involving ASFF-funded articles or services that were not delivered, or ASFF-funded equipment returned to the DoD after title transfer.

This policy memorandum complements guidance in reference (b), which provides DSCA direction regarding the designation of DoD organizations that originally procured the ASFF-funded equipment as responsible for the ASFF-funded equipment now treated as DoD stocks. Reference (c) is the DoD's notification to Congress that DoD will accept and treat as DoD stocks certain ASFF-procured equipment that was, or was intended to be, transferred to the Afghan National Defense and Security Forces (ANDSF), but is no longer required by such forces, including ASFF-procured equipment that was transferred to the ANDSF and then returned by such forces to the United States.

DSCA will issue a separate memorandum that delineates the IAs responsible for disposition of specific ASFF-funded equipment now treated as DoD stocks. This forthcoming DSCA memorandum will not alter the existing guidance in reference (b), which designates the DoD organization that originally procured the ASFF-funded equipment as responsible for the ASFF-funded equipment that is now treated as DoD stocks.

If you have any questions concerning this guidance, please contact Mr. Jason Evans, DSCA/SPP/EPA, jason.l.evans8.civ@mail.mil, (703) 697-2661



James A. Hursch  
Director

MAR 7 2022

Attachment:  
As stated

cc:  
STATE/PM-RSAT  
USASAC  
SATFA  
TRADOC  
NAVSUP WSS  
NETSAFA  
AFSAC  
AFSAT  
MARCOR IP  
MCSC  
USCG International Affairs

## **Continued Close-Out Activities for Building Partner Capacity (BPC) Cases Funded with the Afghanistan Security Forces Fund (ASFF) and Return of Any Unobligated Funds**

Implementing Agencies (IAs) are directed to continue to close-out activities for ASFF-funded Building Partner Capacity (BPC) cases and to return unobligated funds.

In accordance with Security Assistance Management Manual (SAMM) [Section C6.7.5.](#) and [Section C16.4.7.1.](#), IAs will continue closing Fiscal Year (FY) 2020/2021 and FY 2021/2022 ASFF-funded BPC cases that have not incurred obligations at zero-dollar value in an effort to aid the systematic shutdown of the ASFF program. A case is not eligible for zero-dollar closure if any, or all, of the case lines have incurred obligations. IAs are not permitted to delete case line(s) to reduce cases for zero-dollar closure.

IAs will conduct line-by-line case reviews of cases with obligations. The reviews will identify any unfulfilled requisitions, blanket order lines that require actions to discontinue requisitions and return the remaining line value, and all blanket order lines for cancellation of unfilled requisitions and funds return.

For lines with existing obligations, including fulfilled requisitions, IAs will continue recording, adjusting, and liquidating valid obligations incurred prior to December 10, 2021. If an upward adjustment is needed at the line level to resolve such earlier obligations, or if there is a need for current year funding due to a case being funded by a canceled or an expired appropriation, IAs must follow the Prior Year Adjustment process in accordance with DSCA [Policy Memo 19-03](#) and [Policy Memo 20-12](#). This applies to all Prior FY ASFF.

### **ASFF-Funded Equipment Treated as DoD Stocks and ASFF Obligations**

On December 10, 2021, the Department of Defense (DoD) notified Congress that DoD would accept and treat as DoD stocks certain ASFF-procured equipment that was, or was intended to be, transferred to the Afghan National Defense and Security Forces (ANDSF), but is no longer required by such forces, including ASFF-procured equipment that was transferred to the ANDSF and then returned by such forces to the United States. This included all ASFF-procured equipment located outside of Afghanistan on September 1, 2021, that was in the possession of DoD or could be economically recovered to the possession of DoD. As of December 10, 2021, such equipment became the responsibility of the DoD organization to which the equipment is assigned, i.e., the DoD organization that originally procured the equipment.

IAs will not process any new ASFF-funded procurements or make any new ASFF obligations with any ASFF funding for equipment treated as DoD stocks. The only exceptions to this restriction are equitable adjustments or contingent liabilities related to ASFF obligations properly incurred prior to December 10, 2021.

## **BPC Case Closure Guidance for ASFF-Funded Cases and Articles Returned after Title Transfer**

### Active ASFF Cases Involving Undelivered Defense Articles or Defense Services

For all ASFF-funded cases involving undelivered defense articles or defense services that will no longer be provided to the Government of Afghanistan, IAs must modify and reduce the scope of the case to remove all cancelled articles and services while ensuring funds remain on the case to cover all financial obligations that cannot be cancelled. IAs must close all ASFF-funded BPC cases that have not incurred any obligations at zero-dollar value to aid in the systematic shutdown of the ASFF program.

For ASFF-funded undelivered equipment that is now treated as DoD stocks, the IA will amend the applicable open BPC case to add a special case note. The special case note will document the specific equipment that is now treated as DoD stocks. This case note will ensure accountability of ASFF-funded equipment and accurate reporting to Congress. The text of the special case note must be consistent with the following:

#### ASFF-Funded Equipment Treated as DoD Stocks

On December 10, 2021, pursuant to a congressional notification, and in accordance with the requirements of Section 1532(b) of the National Defense Authorization Act for FY 2015 or other analogous legislation, the following specific case related equipment is treated as stocks of the Department of Defense: [list line item number and quantity with item(s)].”

#### Delivered Equipment Returned to DoD Stocks

Recovered equipment that was previously delivered to the Government of Afghanistan and is now treated as DoD stocks is assigned to the DoD organization that originally procured it. The IA does not need to modify any ASFF BPC case to record that ASFF-funded equipment delivered to the Government of Afghanistan is now treated as DoD stocks. The return of this equipment does not change the fact that DoD successfully completed the ASFF BPC case objective when the equipment was delivered to the Government of Afghanistan. The applicable ASFF BPC case does not require any corrective action when delivered equipment is returned. The IAs will work with DSCA for any questions concerning disposition of this equipment.