



DEFENSE SECURITY COOPERATION AGENCY

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

8 SEP 2023

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 23-15, Building Partner Capacity Note Changes [SAMM E-Change 624]

Reference: DSCA Policy 20-12, Clarification of DSCA Policy on Prior Year Adjustment (PYA) Requests

This policy memorandum updates the Appendix 6 Building Partner Capacity (BPC) Letter of Offer and Acceptance (LOA) note "Prior Year Funds Usage." Currently the BPC LOA note states that it is mandatory for Amendment and Modifications. Modifications should be removed per above listed reference. Modifications will not be accepted by the Country Financial Management (CFM) Prior Year Approval (PYA) Team.

This memorandum is also for the inclusion in Appendix 6 of the BPC LOA notes "Current Year Funds Usage" and "Building Partner Capacity (BPC) Programs with the Requirement to Provide Articles, Services and Training to Congressionally Notified Units." The Current Year Funds note eliminates the requirement of the Implementing Agency (IA) to include a unique note. Per above reference, the note is required when DSCA has approved the Current Year Funds request from the IA. Current Year Funds are required when expired funds are not available for a PYA request. The BPC Programs note that requires Congressional Notification of Units is per program mandates for Section 333 and the Indo-PACOM Maritime Security Initiative (MSI).

This memorandum also deletes the requirement to add the "Short Offer Expiration Date" note to BPC cases from Appendix 6 since it is no longer necessary.

The Appendix 6 note adjustments and addition in the attachment are incorporated into the DSCA SAMM at <https://samm.dsca.mil>. If you have any questions concerning this guidance, please contact Mr. Jason Evans, DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)), jason.l.evans8.civ@mail.mil, (703) 697-2661.

A handwritten signature in black ink, appearing to read 'DF', with a small comma or flourish at the end.

David Ferrari
Assistant Director
Strategy, Plans, and Policy

Attachment:

- SAMM E-Change 624 – Appendix 6 Building Partner Capacity Note Changes

**Attachment: SAMM E-Change 624
Appendix 6 Building Partner Capacity Note Changes**

1) Revise the “Prior Year Funds Usage” note per below:

- Current:

FMS	No
BPC	Yes
Note Input Responsibility	IA
Date Range of Use^{1,2}	All
References	
<u>Section C15.5.3.4.</u>	
Note Usage	
Mandatory for Amendments and Modifications of BPC LOAs that increase or add line/subline costs or quantity using funds from a prior year appropriation.	
Note Text	
Varies - DSCA (Business Operations Directorate) provides specific text for this note upon approval of the request from the Implementing Agency.	

- Revised:

FMS	No
BPC	Yes
Note Input Responsibility	IA
Date Range of Use^{1,2}	All
References	
<u>Section C15.5.3.4.</u>	
Note Usage	
Mandatory for Amendments and Modifications of BPC LOAs that increase or add line/subline costs or quantity using funds from a prior year appropriation.	
Note Text	
Varies - DSCA (Business Operations Directorate) provides specific text for this note upon approval of the request from the Implementing Agency.	

2) Add the “Current Year Funds Usage” note as shown:

FMS	No
BPC	Yes
Note Input Responsibility	IA
Date Range of Use^{1,2}	All
References	
<u>Section C15.5.3.4.</u>	
Note Usage	
Mandatory for Amendments and Basic BPC LOAs where expired funds are not available for PYA requests or to fund requests to pay bills from cancelled appropriations.	
Note Text	
Varies - DSCA (Business Operations Directorate) provides specific text for this note upon approval of the request from the Implementing Agency.	

3) Revise the “Short Offer Expiration Date” note per below:

- Current:

FMS	Yes
BPC	Yes
Note Input Responsibility	IA
Date Range of Use^{1,2}	All
References	
<u>See Figure C5.F6.</u>	
Note Usage	
Mandatory for FMS and BPC LOAs when the Offer will expire in less than the standard period of time.	
Mandatory for Amendments when the purchaser or reviewer will have less than the standard period of time to review the LOA document.	
Note Text	
Varies - Must explain the reason for the short OED.	

- Revised:

FMS	Yes
BPC	No
Note Input Responsibility	IA
Date Range of Use^{1,2}	All
References	
See Figure C5.F6.	
Note Usage	
Mandatory for FMS and BPC LOAs when the Offer will expire in less than the standard period of time. Mandatory for Amendments when the purchaser or reviewer will have less than the standard period of time to review the LOA document.	
Note Text	
Varies - Must explain the reason for the short OED.	

- 4) Add the “Building Partner Capacity (BPC) Programs with Requirement to Provide Articles, Services and Training to Congressionally Notified Units” as shown:

FMS	No
BPC	Yes
Note Input Responsibility	IA
Date Range of Use^{1,2}	All
References	
N/A	
Note Usage	
Mandatory for Section 333 and Indo-Pacific Maritime Security Initiative (MSI) programs. Mandatory for any Modifications and Amendments if not included on the basic case.	
Note Text	
"This Building Partner Capacity (BPC) Letter of Offer and Acceptance (LOA) provides articles, services and training that supports the Congressionally Notified program for [FYXX Tranche X Country- Program Title (as listed in the LOA tasking document)], executed under authority of (Title 10 United States Code, Section 333) or (the Indo-Pacific Maritime Security Initiative (MSI)). Only benefitting country units listed on the Congressional Notification documentation may receive support from this BPC LOA. If there is a requirement to change or add units, the Congressional Notification must be amended."	

5) Update C15.5.3.6.4.2. per below:

C15.5.3.6.4.2. IAs must coordinate the use of an Amendment or Basic LOA (**Modifications are not allowed**) with the BPC Program Manager (PM) and the Country Finance Director (CFD) to assess the feasibility of the request, taking into consideration assessorial surcharges and the current year program’s budget allocation.

6) Remove the word “modify” from C15.5.3.4.

C15.5.3.4. Requests for Additional Funding After Period of Availability Expires. If a situation occurs that requires additional prior year funds or extensions of the period of performance, the IA will identify the amount required, the reason for the additional funds or time, and provide supporting documentation to the DSCA Country Financial Director (CFD). If additional funds are required for a procurement action, a determination by the IA Contracting Officer and an opinion by the IA’s legal counsel are required. The DSCA CFD will determine an appropriate fund source and coordinate approval by the DSCA Principal Director for Business Operations. In certain instances, Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) or Congressional Notification may be required. Once notified by DSCA CFD that the request has been approved, the IA will amend/~~modify~~ the case and add a case note to the pseudo LOA document providing details of the fund use.

7) Remove the word modify from C15.F4.

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All efforts to amend/~~modify~~ this case are within the scope of these funds.

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