



## DEFENSE SECURITY COOPERATION AGENCY

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WASHINGTON, D.C. 20301-2800

November 1, 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  
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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 23-64, Updates to  
Program Support Charges for Commercial Repair and Return Program and  
Simplified Non-Standard Acquisition Program [SAMM E-Change 658]

References: (a) Program Support Charges for Commercial Repair and Return Program and  
Simplified Non-Standard Acquisition Program, [DSCA Policy 22-54](#), August 15,  
2022

This memorandum supersedes reference (a) and updates guidance on distinguishing  
Program Support Charge annual report requirements for the Commercial Repair and Return  
(CR&R) Program and Simplified Non-Standard Acquisition Program (SNAP). The policy in the  
attachment is incorporated into the DSCA Security Assistance Management Manual (SAMM) at  
<https://samm.dsca.mil>.

If you have questions concerning this guidance, please contact Mario Franklin, Financial  
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Chief Operating Officer and Chief Financial Officer  
Defense Security Cooperation Agency

Attachment:  
SAMM E-Change 658

## Security Assistance Management Manual E-Change 658

### UPDATES TO PROGRAM SUPPORT CHARGES FOR COMMERCIAL REPAIR AND RETURN (CR&R) AND SIMPLIFIED NON-STANDARD ACQUISITION PROGRAM (SNAP)

1. Add sections C9.18.- C9.18.3.2.

#### **C9.18. Program Support Charge.**

**C9.18.1. Commercial Repair and Return.** The Commercial Repair and Return (CR&R) Program allows the Army to fulfill repair commitments to the foreign partner via commercial entities. Partner nations who choose to take advantage of the Army's CR&R program will incur a Program Support Charge (PSC). The case line will include Primary Category Code (PCC) 746 and the appropriate Individual Pricing Component (IPC) for the PSC of 4 percent.

**C9.18.2. Simplified Non-Standard Acquisition Program.** The Simplified Non-Standard Acquisition Program (SNAP) provides logistics support to foreign partners who require obsolete or unique items not available through the normal U.S. Army supply channels using Simplified Acquisition Procedures. SNAP is funded with a PSC that applies to all procurement transactions under the Program. The case line will include PCC 750 and the appropriate IPC for the PSC of 5 percent.

**C9.18.3. Program Support Charge Reports.** Every five years the U.S. Army, through DSCA's Office of Business Operations (OBO), Financial Policy and Regional Execution Directorate (FPRE), Financial Reporting and Compliance (FRC) Division, will submit to the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) an updated analysis on the percentage rate for both the CR&R and SNAP PSCs, and recommendations on whether the rates should remain the same or change. OUSD(C) is the approval authority for any changes to PSC rates. Additionally, for all PSCs, the U.S. Army will provide DSCA (OBO/FPRE/FRC) an annual report, due no later than November 15 of each year, with the previous fiscal year's year-end data and projections for the current fiscal year and the next three fiscal years.

C9.18.3.1. At a minimum, the CR&R annual report will include the following:

1. Total value of completed billed repairs;
2. Total number of completed billed repairs;
3. PSC recoupment (actuals multiplied by PSC percent);
4. Total completed billed (repairs + recoupment);
5. Manning support costs;
6. Total number of full time equivalents;
7. Surplus/deficit (manning minus recoupment); and
8. PSC percentage.

C9.18.3.2. At a minimum, the SNAP annual report will include the following:

1. Total Shipped Value
2. Total Requisitions Shipped
3. Recoupment (Actuals, includes previous surplus)
4. Sales + Recoupment
5. Support Costs
6. Surplus/Deficit
7. Actual percent of Support of Total Sales
8. Recoupment Factor Charged Based on Actual/Estimate