



DEFENSE SECURITY COOPERATION AGENCY

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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
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DIRECTOR OF CYBERSECURITY DIRECTORATE AND DEPUTY
NATIONAL MANAGER FOR NATIONAL SECURITY
SYSTEMS, NATIONAL SECURITY AGENCY

SUBJECT: Defense Security Cooperation Agency Policy Memorandum 24-09, Non-Specific Requirements Lines [SAMM E-Change 585]

Effective immediately, this memorandum updates and clarifies policy on the use of Non-Specific Requirements lines in Foreign Military Sales (FMS) cases. The policy in the attachment is incorporated into the DSCA Security Assistance Management Manual (SAMM) at <https://samm.dsca.mil>.

Non-Specific Requirements lines are used only with a specific MASL, “R9B 079200N0NSPRQ, Non-Specific Requirements,” on FMS cases when requested by or coordinated with the FMS purchaser as a holding place for funds budgeted, but not yet programmed. Because this case line cannot be used to requisition defense articles or provide defense services it does not include a defined period of performance. Building Partner Capacity (BPC) cases will not include Non-Specific Requirements lines as BPC cases must define program requirements with sufficient specificity to obtain congressional approval or accept funds from the ordering organization.

For FMS cases implemented after the effective date of this policy that include a combination of national funds and Foreign Military Financing (FMF), Implementing Agencies

will ensure that any Non-Specific Requirements line are funded with national funds throughout the life of that line. For Non-Specific Requirements lines funded with any amount of FMF funding, the Implementing Agencies will either 1) define specific requirements on the cases' future LOA Amendments in accordance with this guidance or 2) realign funding, as needed, through an LOA Modification or Amendment to ensure that only national funds are used for Non-Specific Requirements lines. For clarity and consistency in terminology, the term "contingency lines" associated with this MASL is deleted from the SAMM.

If you have questions on this memorandum, please contact Diane Vidal, DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)), at 703-697-9345, diane.k.vidal.civ@mail.mil.



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Strategy, Plans, and Policy

Attachment:
SAMM E-Change 585 – Non-Specific Requirements Lines

Security Assistance Management Manual E-Change 585

NON-SPECIFIC REQUIREMENTS LINES

1. Update SAMM Section C5.4.9. to:

Current wording:

C5.4.9. Contingency Lines. Contingency/Undefined requirements lines (MASL R9B 079200N0NSPRQ, Non-Specific Requirements) may be included on FMS cases when requested by the purchaser as a holding place for funds budgeted but not yet programmed. Contingency lines cannot be used to requisition items or to provide services. Contingency lines are generally written without a defined period of performance. Funds collected for a contingency line will normally be at the end of a payment schedule until the requirements are further defined and broken out on separate lines. Any transactions inadvertently assessed against contingency lines must be “backed out” and applied to an eligible line.

C5.4.9.1. Including Contingency Lines on a Letter of Offer and Acceptance. The FMS Administrative Surcharge is applied to the contingency line value. Contingency lines are limited to ten percent or less of the LOA value. LOAs funded with FMF may not include contingency lines.

C5.4.9.2. Execution of Contingency Lines. Obligation authority is not granted for contingency lines. Orders cannot be placed against contingency lines. When requirements are identified by the purchaser, the applicable dollar values included in the contingency line must be moved to specific defense articles or services (non-contingency) lines, with commensurate payment schedule and other LOA adjustments, as needed. LOA Amendments are used for reallocation of contingency line authority.

Revised wording:

C5.4.9. Non-Specific Requirements Lines. Undefined requirements lines with MASL “R9B 079200N0NSPRQ, Non-Specific Requirements” may be included on FMS cases when requested by or coordinated with the purchaser as a holding place for funds budgeted but not yet programmed. Non-Specific Requirements lines cannot be used to requisition items or to provide services. Non-Specific Requirements lines must be added through an LOA Amendment. Building Partner Capacity (BPC) cases will not include Non-Specific Requirements lines as BPC cases should define the requirements with sufficient specificity to obtain congressional approval or accept funds from the ordering organization. Similarly, Foreign Military Financing (FMF) will not be used to fund Non-Specific Requirements lines.

C5.4.9.1. Non-Specific Requirements Lines on a Letter of Offer and Acceptance. Non-Specific Requirements lines are written without a defined period of performance and are written with Source Code “S” (stock). MASLs other than “R9B 079200N0NSPRQ, Non-Specific Requirements” must not be used on Non-Specific Requirements lines. The FMS

Administrative Surcharge is applied to the Non-Specific Requirements line value. The value of Non-Specific Requirements lines is limited to ten percent or less of the LOA value. Non-Specific Requirements lines must use the line note language as listed in the [Line-Item Description Note in Appendix 6](#). Funds collected for a Non-Specific Requirements line will normally be included at the end of a payment schedule to provide time for the requirements to be further defined and identified on separate lines. Any transactions inadvertently assessed against Non-Specific Requirements lines must be “backed out” and applied to a case line that is eligible to convey obligation authority.

C5.4.9.2. Execution of Non-Specific Requirements Lines. Obligation authority is not granted for Non-Specific Requirements lines. Orders cannot be placed against Non-Specific Requirements lines. When requirements are identified by the FMS purchaser, the applicable dollar values included in the Non-Specific Requirements line must be moved to other specific defense articles or services lines, with commensurate payment schedule and other LOA adjustments, as needed. LOA Amendments are used for the reallocation of Non-Specific Requirements line funds, unless the purchaser specifies in the LOR to allow use of funds for price increases on other lines utilizing the LOA Modification process. Such a request must be captured in the Non-Specific Requirements line note.

C5.4.9.3. Authorized Uses of Exception to Policy. IAs are authorized to request the following for Non-Specific Requirements lines using the Exception to Policy process in accordance with [Section C6.7.4](#):

- 1) exceed ten percent of the total LOA value (DSCA (OBO/FPRE/FP) approval authority) and
- 2) add new lines through an LOA Modification in order to meet urgent FMS partner requirements (DSCA (SPP) approval authority).

2. Update the “Line-Item Description” Note in Appendix 6 by adding the following in **RED** under the “Note Text”:

Line Item [Insert Line-Item Number] Description

Note Usage
<p>FMS: Yes</p> <p>BPC: Yes</p> <p>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 line item requires a Line-Item Description note, a Line-Item Description note must be included for each line item.</p> <p>For FMS cases only (and not applicable to BPC cases): All existing Non-Specific Requirements line notes must be changed on the next Amendment to the below format if not already in the correct format on the current implemented version.</p>
References
<p>See Figure C5.F6.</p>
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.

The IA is responsible for identifying any program(s) requiring a Program Support Charge.

The following text is only applicable to FMS cases with Non-Specific Requirements lines (and not applicable to BPC cases) and required to be included in the Line Note: “This line provides for non-specific requirements to hold national funds budgeted but not yet programmed [in support of the following: (if needed while ensuring that no false impressions are provided)]. If the Purchaser requests to expend funds allocated to this line for specific requirements, the funds will be realigned via Letter of Offer and Acceptance (LOA) Amendment in which new line(s) will be established or funds added to existing line(s).”

- The following statement will only be added if specified in the LOR: “The Purchaser allows the use of funds allocated to the Non-Specific Requirements line to cover price increases on other case lines utilizing an LOA Modification.”

3. Add to the ESAMM glossary:

TERM	DEFINITION	LINK
Non-Specific Requirements Line	Undefined requirements lines with MASL “R9B 079200N0NSPRQ, Non-Specific Requirements” that can be included on Foreign Military Sales cases when requested by or coordinated with the purchaser as a holding place for funds budgeted but not yet programmed. Non-Specific Requirements lines cannot be used to requisition items or to provide services, are written with Source Code “S” (stock), and only utilize national funds. Non-Specific Requirements lines are written without a defined period of performance.	N/A