



DEFENSE SECURITY COOPERATION AGENCY

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

15 JUL 2024

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 24-23, Administrative Expenses for Foreign Government Representatives [SAMM E-Change 683]

This memorandum updates policy on administrative expenses for foreign government representatives to allow limited disbursing agent services in support of a dedicated foreign training detachment, located on a DoD installation in the United States, whose foreign training mission is sustained by a Foreign Military Sales (FMS) case funded solely by national funds. While FMS cases are not used to fund the administrative expenses of an FMS purchaser's authorized officials while in the United States, in some circumstances, limited DoD disbursing agent support is reasonably necessary to facilitate the FMS purchaser's authorized officials' use of the purchaser's requested FMS support at a DoD installation. Disbursing agent support concerns the use of DoD personnel to provide payments for commercial services or items directly obtained by the FMS purchaser's authorized officials.

Prior to this memorandum, DoD only allowed for disbursing agent support for travel and health care expenses for international military students attending DoD-provided training in the United States. To facilitate the provision of FMS logistical support to dedicated foreign training detachments in the United States, this memorandum authorizes limited disbursing agent support

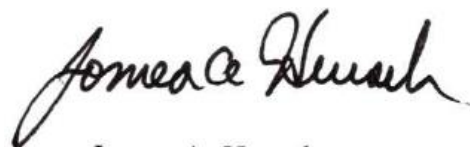
by the Implementing Agency to foreign FMS purchaser's authorized officials assigned or participating in the FMS purchaser's dedicated foreign training detachment's training activities in the United States. This disbursing agent support funded by the FMS case is strictly limited to: (1) payment of commercial medical, travel, lodging, and/or vehicle services directly procured from a commercial source by the FMS purchaser's authorized official; (2) the payment of commercial medical services directly procured by FMS purchaser's authorized official's authorized dependent; and (3) payment of per diem for FMS purchaser's authorized officials at the FMS purchaser's established per diem rate on FMS purchaser directed travel.

An FMS purchaser's dedicated foreign training detachment is limited to the FMS purchaser's authorized officials participating in non-DoD training within a dedicated space on a DoD installation in the United States for a committed multi-year period with FMS-procured major defense equipment. Existing SAMM guidance that allows disbursing agent support for "international military students" does not apply to foreign officials trained by dedicated foreign training detachments, because these dedicated foreign training detachment officials do not receive DoD-provided defense training.

Limited disbursing agent support is only authorized when such support can be reasonably justified as a prerequisite for an FMS purchaser to obtain required FMS case-funded support on a DoD installation from a nationally-funded FMS case. This memorandum does not authorize cases funded with Foreign Military Financing funds or Building Partner Capacity (BPC) funds, pursuant to either Title 10 or Title 22 BPC authorities, to provide disbursing agent support to a foreign training detachment in the United States.

In all instances of DoD providing disbursing agent support, FMS purchasers remain solely responsible for the timely payment of commercial services obtained by their authorized officials for an official purpose. DoD disbursing agent support constitutes an administrative convenience for FMS purchasers, and any such support is subject to the availability of FMS case funds. DoD is not responsible for determining the validity of any FMS purchaser's authorized official's commercial bill or ensuring the timely payment of any such commercial bill. The FMS purchaser will designate a representative to review all commercial bills before presenting them as authorized FMS purchaser valid bills for payment by the U.S. Government.

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 the DSCA Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA) at dsca.ncr.spp.mbx.epa@mail.mil.



James A. Hursch
Director

Attachment: SAMM E-Change 683 – Administrative Expenses for Foreign Government Representatives

Security Assistance Management Manual E-Change 683
Administrative Expenses for Foreign Government Representatives

1. Update SAMM Section C4.5.1.:

FROM:

C4.5.1. Administrative Expenses for Foreign Government Representatives. The USG does not serve as the disbursing agent for funds received under LOAs unless those funds are required for defense articles and services provided by DoD, another federal agency, or through a DoD procurement contract. LOAs must not include transportation, lodging, per diem, or other administrative expenses of foreign Government representatives even though such expenses may relate to the procured materiel and/or services. The only exception to this prohibition is if the FMS purchaser requests the LOA to include the payment of Travel and Living Allowance (TLA) for international students receiving training under an LOA. See [Section C10.13](#), regarding TLA. Foreign purchasers may not use LOAs to lease commercial or General Services Administration (GSA) vehicles. Foreign purchasers are responsible for making and paying for these arrangements outside the FMS process.

TO:

C4.5.1. Administrative Expenses for Foreign Government Representatives. The USG does not serve as the disbursing agent for funds received under LOAs **for commercial services or items directly obtained by foreign government or FMS purchaser authorized officials unless those funds are required for defense articles and services provided by DoD, another federal agency, or through a DoD procurement contract.** This disbursing agent limitation does not apply to the use of LOA funds required for defense articles and defense services provided by DoD, another federal agency, or through a DoD procurement contract. LOAs funds are not available to pay for commercial **must not include** transportation, commercial lodging, per diem, or other administrative expenses obtained by ~~of~~ foreign **gGovernment or FMS purchaser authorized officials** even though such expenses may **be indirectly related to FMS support relate to the procured materiel and/or services.** Foreign purchasers may not use LOAs to lease commercial or General Services Administration (GSA) vehicles. Foreign purchasers are responsible for making and paying for these arrangements outside the FMS process.

C4.5.1.1. The only exceptions to this prohibition are:

C4.5.1.1.1. The FMS purchaser may request LOAs funding DoD-provided training include the payment of Travel and Living Allowance (TLA) and unanticipated expenses for commercial health care for international students receiving training under an LOA. See Chapter 10 regarding expenses allowed on LOAs for International Military Students (IMS).

C4.5.1.1.2. The FMS purchaser may request that the fully nationally-funded LOA utilized for obtaining FMS support for its dedicated foreign training detachment include its detachment personnel's expenses. Foreign detachment personnel are not considered IMS

because the purpose of the foreign training detachment is for the FMS purchaser to train its authorized officials, rather than obtaining DoD-provided training. Allowable expenses on nationally-funded FMS cases supporting foreign detachments include the following payments for its authorized officials while participating in the dedicated foreign training detachment on DoD installations in the United States: 1) commercial medical, travel, lodging, and/or vehicle services directly procured from a commercial source by the FMS purchaser’s authorized official; and/or 2) per diem. If requested by the FMS purchaser, the authorized dependents of the detachment officials can receive disbursement services limited to payment of medical services, which are paid through the FMS LOA to a commercial provider. FMS LOA funds are not permitted to be used to provide disbursing agent support for commercial medical insurance. An FMS purchaser’s dedicated foreign training detachment is limited to the FMS purchaser’s authorized officials participating in non-DoD training within a dedicated space on a DoD installation in the United States for a committed multi-year time period with FMS-procured major defense equipment. Since these detachment officials are not IMS, a Security Cooperation Training Management System (SC-TMS) generated invitational travel authorization cannot be processed. The lack of a SC-TMS generated invitational travel authorization does not preclude an Implementing Agency (IA), if necessary, from issuing its own invitational travel authorization. If requested by the FMS purchaser, the FMS LOA may also include such administrative expenses for the foreign training detachment personnel while they are participating as their government’s representative in DoD-hosted exercises in the United States.

C4.5.1.2. For disbursing agent support, the commercial services and per diem must be on a dedicated line using the Military Articles & Service List (MASL) “ADMCOMSERV0FF, Administrative Commercial Services, FMS Purchaser Officials” that is limited to 10% of the current total case value. This line includes the standard “Administrative Disbursing Services” LOA note in [Appendix 6](#). Further, any DoD services to administer these payments must be case-funded, as stated in [Table C9.T2a](#).

2. Add the following to SAMM Table C9.T2a.:

Case Execution					
Row	Activity	Admin	Case	Non-Standard	Frequency
CE50	Dedicated administrative disbursing services when requested by the international partner; applies only for nationally-funded LOAs administratively supporting international military students and the FMS purchaser’s dedicated foreign training detachments with the standard “Administrative Disbursing Services” LOA note.		X		

3. Add Appendix 6 Note:

Administrative Disbursing Services

Note Usage
FMS: Yes, for national funded cases. BPC: No Mandatory for Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs) funded solely with national funds that include commercial services (medical, travel, lodging, or vehicle) or per diem for 1) FMS purchaser authorized officials participating in dedicated foreign training detachments on DoD installations in the United States and 2) international military students. The IA must remove any expenses in the note that are not requested by the FMS purchaser and that are not authorized pursuant to Chapter 10.
References
See Section C4.5.1.1.
Note Input Responsibility
IA
Note Text
<p>“The use of this line is strictly limited for the Foreign Military Sales (FMS) purchaser’s authorized official while that official was participating [<i>select one: “as an international military student” or “in the FMS purchaser’s dedicated foreign training detachment”</i>] in the United States and is strictly limited to:</p> <ul style="list-style-type: none">(1) payment of commercial medical, travel, lodging, and/or vehicle services directly procured from a commercial source by the FMS purchaser’s authorized official;(2) the payment of commercial medical services directly procured by FMS purchaser’s authorized official’s authorized dependent; and(3) payment of per diem for FMS purchaser’s authorized officials [<i>include the following only for dedicated foreign training detachments: at the FMS purchaser’s established per diem rate on FMS purchaser directed travel</i>]. <p>The amount of this line must not exceed 10% of the total current case value. The FMS purchaser is not permitted to seek payment for any other type of commercial bills from this case line. The FMS purchaser is not permitted to seek payment for commercial bills procured by persons who are not the FMS purchaser’s authorized official or an authorized dependent in the United States. The FMS purchaser acknowledges that it is not the U.S. Government’s responsibility to determine the validity or accuracy of any commercial bill presented for payment from this case line. The FMS purchaser will designate a representative to review all commercial bills before presenting them as authorized FMS purchaser valid bills for payment by the U.S. Government. The FMS purchaser acknowledges that the U.S. Government is not authorized to negotiate the amount of commercial charges or resolve any disputes relating to any of the FMS purchaser’s authorized officials’ commercial expenditures. The FMS purchaser acknowledges that the U.S. Government has no legal responsibility to ensure timely payment of any bill paid by this case line. The U.S. Government has no privity of contract and no legal responsibility to provide any payment to any of the FMS purchaser’s authorized officials’ direct commercial providers. The U.S. Government will not provide payment to the FMS purchaser’s authorized official’s commercial provider or pay per diem if the amount of the bill is in excess of funds on this case line. The FMS purchaser acknowledges that any DoD disbursing agent support provided by this case line cannot be the basis for the FMS purchaser to seek any relief from the U.S.</p>

Government through a Supply Discrepancy Report. The existence of this case line does not absolve or modify the FMS purchaser's authorized officials' or the officials' authorized dependents' legal responsibility or contract liability to ensure timely payment for their procured commercial service.”

4. Update SAMM Section C10.13.2.2.

FROM:

C10.13.2.2. TLA includes travel from country to CONUS training location (and also between training locations) and the living allowance comprised of lodging, meals and incidentals. DSCA will not consider a waiver to pay any TLA for any non-students. For any non-students, including those traveling on a Foreign Visit Request, their country must directly pay for their travel to CONUS and also their per diem.

TO:

C10.13.2.2. TLA includes travel from country to the CONUS training location (and also between training locations) and the living allowance comprised of lodging, meals and incidentals. ~~DSCA will not consider a waiver to pay any TLA for any non-students. For any non-students, including those traveling on a Foreign Visit Request, their country must directly pay for their travel to CONUS and also their per diem.~~

5. Update SAMM Section C10.13.2.3.

FROM:

C10.13.2.3. The USG does not provide travel management for international partners when foreign partner personnel are not formally on Invitational Travel Orders (ITO) to participate in U.S.-provided formal or informal training, instruction, or evaluations. Accordingly, Foreign Liaison Officers and Country Liaison Officers are not eligible for TLA. DSCA will not allow the inclusion of TLA on FMS cases for such travel that is not in support of FMS partner training under any circumstances.

TO:

C10.13.2.3. ~~Except as described in Section C4.5.1., the USG does not provide travel management for international partners when foreign partner personnel are not formally on Invitational Travel Orders (ITO) to participate in U.S.-provided formal or informal training, instruction, or evaluations. Accordingly, Foreign Liaison Officers and Country Liaison Officers are not eligible for TLA. DSCA will not allow the inclusion of TLA on FMS cases for such travel that is not in support of FMS partner training under any circumstances.~~

6. Update SAMM Section C10.13.2.6. to:

FROM:

C10.13.2.6. Military Departments (MILDEPs) are authorized to charge appropriate management costs to administer payment of TLA to IMS under FMS cases.

TO:

C10.13.2.6. Military Departments (MILDEPs) ~~are authorized to~~ **must** charge appropriate management costs to administer payment of TLA to IMS under FMS cases. **See Table C9.T2a.**