



## DEFENSE SECURITY COOPERATION AGENCY

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

MAY 14, 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 24-41, Rescission of  
Case Closure Executive Committee [SAMM E-Change 693]

This memorandum updates Chapter 16 and Appendix 7 of the Security Assistance Management Manual (SAMM) to rescind text and references to the Case Reconciliation and Closure Executive Committee.

[DSCA Policy Memo 03-05](#) established the Case Reconciliation and Closure Executive Committee (EXCOM) on March 3, 2003. This policy was superseded by the publication of the Case Reconciliation and Closure Guide in 2013 (RCG – [SAMM Appendix 7](#)) and all policy language relating to the establishment and operations of the EXCOM was incorporated into that document. However, the EXCOM was rarely convened, and is now non-operational.

The policy in the attachment is incorporated into the DSCA Security Assistance Management Manual (SAMM) at <https://samm.dscamilitary.com>. The updated form in Figure A7.C6.F1. will also be available as a fillable PDF in the SAMM.

If you have questions concerning this guidance, please contact Financial Policy & Regional Execution Directorate, Financial Policy Division (FPRE/FP) at [dsca.ncr.obo.list.fpre-fp@mail.mil](mailto:dsca.ncr.obo.list.fpre-fp@mail.mil).

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J. Aaron Harding  
Chief Operating Officer and Chief Financial Officer

Attachment: SAMM E-Change 693

**Security Assistance Management Manual E-Change 693**  
**Rescission of Case Closure Executive Committee**

1. Update SAMM Section C16.1.6.2.:

**From:**

C16.1.6.2. Defense Security Cooperation Agency. Publishes and updates reconciliation and closure policy, chairs various FMS reconciliation and closure meetings, serves as final arbiter for case reconciliation and closure issues raised by IAs and DFAS Indianapolis, and chairs the Executive Committee (EXCOM) for case reconciliation and closure. Operates and maintains the security cooperation management system Socium, to be used for logging applicable information. For information on the EXCOM, refer to Section C16.3.

**To:**

C16.1.6.2. Defense Security Cooperation Agency. Publishes and updates reconciliation and closure policy, chairs various FMS reconciliation and closure meetings, **and** serves as final arbiter for case reconciliation and closure issues raised by IAs and DFAS Indianapolis, ~~and chairs the Executive Committee (EXCOM) for case reconciliation and closure.~~ DSCA operates and maintains the security cooperation management system Socium, to be used for logging applicable information. ~~For information on the EXCOM, refer to Section C16.3.~~

2. Update SAMM Section C16.2.16.1.:

**From:**

C16.2.16.1. For Problem Disbursements. Write-off authority exists for up to \$2,500 per transaction. Additionally, there is a DoD Comptroller prescribed a timeline of 90 to 120 days (depending on whether the program office and DFAS are co-located) for resolving PDs before the offsetting obligation is posted. Refer to [DoD FMR, Volume 3, Chapter 11](#) for an elaboration of the policies and procedures relative to PDs. PDs greater than \$2,500 should be brought to the attention of DSCA (OBO/FPRE/FP) via the Case Reconciliation and Closure Executive Committee (EXCOM) for resolution, provided those PDs have not exceeded the timelines noted in the RCG, Section A7.C2.10.

**To:**

C16.2.16.1. For Problem Disbursements. Write-off authority exists for up to \$2,500 per transaction. Additionally, there is a DoD Comptroller prescribed a timeline of 90 to 120 days (depending on whether the program office and DFAS are co-located) for resolving PDs before the offsetting obligation is posted. Refer to [DoD FMR, Volume 3, Chapter 11](#) for an elaboration of the policies and procedures relative to PDs. PDs greater than \$2,500 should be ~~detailed on form A7.C6.F1 and submitted brought~~ submitted to ~~the attention of the~~ DSCA

Comptroller (OBO/CMP FPRE/FP)) via the Case ~~Reconciliation and Closure Mailbox Executive Committee (EXCOM)~~ (~~dsca.ncr.dbo.mbx.case-closure-requests@mail.mil~~) for resolution, provided those PDs have not exceeded the timelines noted in the RCG, Section A7.C2.10.

3. Delete entirety of SAMM Section C16.3.:

**Delete:**

~~C16.3. Case Reconciliation and Closure Executive Committee~~

~~C16.3.1. Purpose. The Executive Committee (EXCOM) was chartered on Mar 3, 2003. It provides final resolution on financial discrepancies and imbalances relating to cases/lines that are Supply/Services Complete (SSC). The EXCOM is a final arbiter of last resort only. As a general rule, cases are not presented to the EXCOM for consideration unless they are more than two years SSC, and other criteria as established in the requisite documentation package are satisfied (see below). The EXCOM approves discontinued research, finalizes case closure values and cost components, and resolves forced closure value discrepancies.~~

~~C16.3.2. Considerations:~~

~~C16.3.2.1. Existing Foreign Military Sales (FMS) financial policies and procedures already accommodate certain flexibilities and managerial authorities to resolve most of the financial issues that otherwise preclude timely case closure. Consequently, relatively small universes of cases are expected to require EXCOM resolution.~~

~~C16.3.2.2. The EXCOM is not a substitute for sound fiduciary safeguarding and accounting of case financial transactions. Every reasonable effort to reconcile cases in a timely manner and to ensure closure within prescribed timeframes is expected. While the existence of the EXCOM acknowledges that valid situations arise requiring its use, the substantive documentation requirements ensure responsibility for financial stewardship and data integrity rests with the proponent Implementing Agency (IA) and its associated personnel (e.g., case managers (CMs)).~~

~~C16.3.2.3. To promote its effectiveness and efficiency, membership of the EXCOM shall be comprised of managers responsible for overseeing responsible case reconciliation and closure policies. The lead EXCOM representative from each organization may opt to bring additional officials from that organization. Each lead representative may also designate a substitute to act on his/her behalf; the designation must be sent to the EXCOM Chair prior to the next scheduled meeting. Regardless of how many officials from each organization attend a given meeting, each organization has only one vote in the decision-making processes.~~

~~C16.3.2.4. Within the parameters of the DoD Financial Management Regulation (FMR), the EXCOM has and may exercise wide latitude in determining what specific transactions, processes and actions must be taken to bring specific case reconciliation issues to a successful conclusion. The EXCOM members may not be experts in the nuances of a given~~

~~situation or in the detailed nature of all supporting systems and databases. The EXCOM relies heavily on the sound recommendations brought forth by the originators of each package.~~

~~C16.3.2.5. Operating Procedures. The EXCOM meets on an as required basis, but not usually more than semi-annually.~~

4. Renumber all section C16.4.xx to C16.3.xx
5. Update current SAMM Section C16.4.21.5. (C16.3.21.5. after renumbering):

**From:**

C16.4.21.5. Case Reconciliation and Closure Community Meetings. DSCA and/or the IAs may conduct periodic meetings to discuss financial policy issues (current, pending and proposed) impacting case reconciliation and closure; reconciliation issues throughout the case execution phase, SSC phase and in preparation for closure; and closure issues. These meetings are usually comprised of individuals from DSCA, the IAs, and DFAS-IN. Other groups may be included as the agenda warrants. The EXCOM may convene in conjunction with these meetings. DSCA is represented in these meetings by the case reconciliation and closure focal point in DSCA (OBO/FPRE/FP).

**To:**

C16.3.21.5. Case Reconciliation and Closure Community Meetings. DSCA and/or the IAs may conduct periodic meetings to discuss financial policy issues (current, pending and proposed) impacting case reconciliation and closure; reconciliation issues throughout the case execution phase, SSC phase and in preparation for closure; and closure issues. These meetings are usually comprised of individuals from DSCA, the IAs, and DFAS-IN. Other groups may be included as the agenda warrants. ~~The EXCOM may convene in conjunction with these meetings.~~ DSCA is represented in these meetings by the case reconciliation and closure focal point in DSCA (OBO/FPRE/FP).

6. Update RCG Section A7.C1.2.5.:

**From:**

A7.C1.2.1.5. Chapter 6: Tools and Authorities. RCG Chapter 6 focuses on the tools and authorities for case managers (CMs) and others to use in facilitating reconciliation and closure efforts. This chapter also discusses FMS reviews, Case Reconciliation/Closure Executive Committee (EXCOM), write-off authority and systemic tools.

**To:**

A7.C1.2.1.5. Chapter 6: Tools and Authorities. RCG Chapter 6 focuses on the tools and authorities for case managers (CMs) and others to use in facilitating reconciliation and closure efforts. This chapter also discusses FMS reviews, ~~Case Reconciliation/Closure Executive Committee (EXCOM)~~, write-off authority, and systemic tools.

7. Update RCG Section A7.C1.3.2.:

**From:**

A7.C1.3.2. DSCA prepares LOA documents, publishes, updates, and disseminates reconciliation and closure policy, chairs various FMS reconciliation and closure meetings, serves as final arbiter for case reconciliation and closure issues raised by IAs and DFAS Indianapolis, and chairs Executive Committee (EXCOM) for case reconciliation and closure.

**To:**

A7.C1.3.2. DSCA prepares LOA documents, publishes, updates, and disseminates reconciliation and closure policy, chairs various FMS reconciliation and closure meetings, **and** serves as final arbiter for case reconciliation and closure issues raised by IAs and DFAS Indianapolis, ~~and chairs Executive Committee (EXCOM) for case reconciliation and closure.~~

8. Update RCG Section A7.C2.2.2.:

**From:**

A7.C2.2.2. Defense Security Cooperation Agency. DSCA Publishes, updates, and disseminates reconciliation policies, serves as final arbiter for case reconciliation issues raised by IAs and DFAS, reviews SDRs valued over \$50K for final resolution, chairs the Executive Committee (EXCOM) and meets with purchasers to resolve issues.

**To:**

A7.C2.2.2. Defense Security Cooperation Agency. DSCA Publishes, updates, and disseminates reconciliation policies, serves as final arbiter for case reconciliation issues raised by IAs and DFAS, reviews SDRs valued over \$50K for final resolution, ~~chairs the Executive Committee (EXCOM)~~ and meets with purchasers to resolve issues.

9. Update RCG Section A7.C2.10.3.:

**From:**

A7.C2.10.3. Write-off Authority. IAs/Defense Finance and Accounting Services - Indianapolis (DFAS-IN) has the authority to write off unresolvable PDs of up to \$2,500 per transaction. PDs greater than \$2,500 per transaction shall be referred to the Case Reconciliation and Closure Executive Committee (EXCOM) for resolution, as delegated by the Chief Operating Officer and Chief Financial Officer, DSCA (Office of Business Operations (OBO) (See Appendix 7, Chapter 6).

**To:**

A7.C2.10.3. Write-off Authority. IAs/Defense Finance and Accounting Services - Indianapolis (DFAS-IN) has the authority to write off unresolvable PDs of up to \$2,500 per transaction. PDs greater than \$2,500 per transaction shall be referred to the **DSCA Comptroller Case Reconciliation and Closure Executive Committee (EXCOM)** for resolution in accordance with DoD FMR Volume 3, Chapter 11, ~~as delegated by the Chief Operating Officer and Chief Financial Officer, DSCA (Office of Business Operations (OBO) (See Appendix 7, Chapter 6).~~

10. Delete entirety of RCG Section A7.C4.5.4.:

**Delete:**

~~A7.C4.5.4. Case Reconciliation and Closure EXCOM. Refer to Section A7.C6.3.3. for detailed information on how the EXCOM is used as a tool for promoting FMS case reconciliation and closure efficiency. When attempts to obtain final statements are unsuccessful, and discontinued research is determined as the only remaining effective course of action, the IA is required to submit to the EXCOM a statement showing the original funding amount agreed to by the activity per phone conversation, or documentation regarding IA receipt of disbursement (Refer to Figure A7.C6.F1.). If no work was conducted, the IA must provide the EXCOM with a statement of confirmation for the non-performance of material or services in order that committed or obligated balances may be recouped.~~

11. Update RCG Section A7.C6. introduction section:

**From:**

Chapter 6 focuses on the tools and authorities for case managers (CMs) and others to use in facilitating reconciliation and closure efforts. This chapter also discusses FMS reviews, Case Reconciliation/Closure Executive Committee (EXCOM), write-off authority and systemic tools.

**To:**

Chapter 6 focuses on the tools and authorities for case managers (CMs) and others to use in facilitating reconciliation and closure efforts. This chapter also discusses FMS reviews, ~~Case Reconciliation/Closure Executive Committee (EXCOM)~~, write-off authority and systemic tools.

12. Update RCG Section A7.C6.1.1.:

**From:**

A7.C6.1.1. There are many system tools and authorities available to aid in case reconciliation and to expedite case closure. DSCA meets periodically with the FMS community to review issues and constraints encountered during case reconciliation and closure in order to establish policy to remedy situations encountered. DFAS also has system tools that are available for use by the military departments to aid in lifecycle case reconciliation. RCG Chapter 6 addresses the various system tools used to identify and track status of FMS case/lines. This section also addresses several authorities and policies in place to better assist the closure community in reconciling and closing cases. The tools and authorities addressed in Chapter 6 include the Executive Committee (EXCOM), write-off authority, problem disbursement resolution policy and current system tools.

**To:**

A7.C6.1.1. There are many system tools and authorities available to aid in case reconciliation and to expedite case closure. DSCA meets periodically with the FMS community to review issues and constraints encountered during case reconciliation and closure in order to establish policy to remedy situations encountered. DFAS also has system tools that are available for use by the military departments to aid in lifecycle case reconciliation. RCG Chapter 6 addresses the various system tools used to identify and track status of FMS case/lines. This section also addresses several authorities and policies in place to better assist the closure community in reconciling and closing cases. The tools and authorities addressed in Chapter 6 include ~~the Executive Committee (EXCOM)~~, write-off authority, problem disbursement resolution policy, and current system tools.

13. Update RCG Section A7.C6.2.1.:

**From:**

A7.C6.2.1. A7.C6.2.1. The Implementing Agency (IA) performs all case management functions prescribed in the DoD Financial Management Regulation (FMR) Volume 15 and the SAMM, optimizes the use of the tools and authorities contained herein, ensures widest possible dissemination of these tools and authorities to those involved in Foreign Military Sales (FMS) case reconciliation and closure, initiates requests for write-off approvals, effects write-off transactions in IA systems, initiates requests for the reconciliation and closure



Executive Committee (EXCOM) and participates in and/or facilitates conferences addressing these issues.

**To:**

A7.C6.2.1. The Implementing Agency (IA) performs all case management functions prescribed in the DoD Financial Management Regulation (FMR) Volume 15 and the SAMM, optimizes the use of the tools and authorities contained herein, ensures widest possible dissemination of these tools and authorities to those involved in Foreign Military Sales (FMS) case reconciliation and closure, initiates requests for write-off approvals, effects write-off transactions in IA systems, ~~initiates requests for the reconciliation and closure Executive Committee (EXCOM)~~ and participates in and/or facilitates conferences addressing these issues.

14. Update RCG Section A7.C6.2.2.:

**From:**

A7.C6.2.2. DSCA publishes and updates policies, approves waivers or exceptions to policies, promulgates tools and authorities to maximize reconciliation and closure performance, solicits purchaser input/feedback on ways to improve these processes, chairs the EXCOM and participates in and/or facilitates conferences addressing these issues.

**To:**

A7.C6.2.2. DSCA publishes and updates policies, approves waivers or exceptions to policies, promulgates tools and authorities to maximize reconciliation and closure performance, solicits purchaser input/feedback on ways to improve these processes, ~~chairs the EXCOM~~ and participates in and/or facilitates conferences addressing these issues.

15. Update RCG Section A7.C6.2.3.:

**From:**

A7.C6.2.3. DFAS Indianapolis performs all accounting functions as prescribed in the DoD FMR Volume 15 and the SAMM, effects write-off transactions in DIFS, promulgates tools and authorities to maximize reconciliation and closure performance, participates in conferences addressing these issues and serves as a member of EXCOM.

**To:**

A7.C6.2.3. DFAS Indianapolis performs all accounting functions as prescribed in the DoD FMR Volume 15 and the SAMM, effects write-off transactions in DIFS, promulgates tools and authorities to maximize reconciliation and closure performance, ~~and~~ participates in conferences addressing these issues ~~and serves as a member of EXCOM.~~

16. Update RCG Section A7.C6.2.4.:

**From:**

A7.C6.2.4. DCMA works directly with Defense suppliers to help ensure that DoD, Federal and allied government supplies and services are delivered on time, at projected cost and meet all performance requirements. In addition, DCMA performs contract administration, quality assurance and inspection functions for the DoD as prescribed in the FAR and DFARS, serves as member of EXCOM and performs contract closeout in accordance with the DCMA Guidebook.

**To:**

A7.C6.2.4. DCMA works directly with Defense suppliers to help ensure that DoD, Federal and allied government supplies and services are delivered on time, at projected cost and meet all performance requirements. In addition, DCMA performs contract administration, quality assurance and inspection functions for the DoD as prescribed in the FAR and DFARS, ~~serves as member of EXCOM~~ and performs contract closeout in accordance with the DCMA Guidebook.

17. Update RCG A7.C6.2.6.:

**From:**

A7.C6.2.6. Office of the Under Secretary of Defense (OUSD(C)) publishes, updates, and clarifies financial management policies contained in the [DoD FMR Volume 15](#) as well as participating in the EXCOM.

**To:**

A7.C6.2.6. Office of the Under Secretary of Defense (OUSD(C)) publishes, updates, and clarifies financial management policies contained in the [DoD FMR Volume 15](#) ~~as well as participating in the EXCOM.~~

18. Delete entirety of RCG Section A7.C6.3.3. Delete entire section, including subsections, Table A7.C6.T1., and A7.C6.T2.

19. Renumber Section A7.C6.3.4. to A7.C6.3.3.

20. Update RCG Section A7.C6.3.4.1. (now A7.C6.3.3.1.):

**From:**

A7.C6.3.4.1. DSCA FMS Case Reconciliation and Closure Conference. The DSCA conference is comprised of members from DSCA, the IAs, DFAS Indianapolis and the purchasers. This conference meets annually (usually November/December timeframe). Discussions concern financial policy issues (current, pending and proposed) impacting FMS case reconciliation and closure, and reconciliation issues throughout the case execution phase, SSC phase and in preparation for closure. The EXCOM meets in conjunction with this conference. DSCA/OPS-ADMIN chairs this conference.

**To:**

~~A7.C6.3.3.1. Security Cooperation Case Management and Closure Workshop DSCA FMS Case Reconciliation and Closure Conference.~~ ~~The DSCA conference is comprised of~~ Members from DSCA, the IAs, DFAS Indianapolis and the purchasers ~~attend the workshop held annually (usually June timeframe).~~ ~~This conference meets annually (usually November/December timeframe).~~ Discussions concern financial policy issues (current, pending and proposed) impacting FMS case reconciliation and closure, and reconciliation issues throughout the case execution phase, SSC phase and in preparation for closure. ~~The EXCOM meets in conjunction with this conference.~~ DSCA (OBO/FPRE) ~~OPS-ADMIN~~ chairs ~~the workshop this conference.~~

21. Renumber Section A7.C6.3.5. to A7.C6.3.4.

22. Update RCG Section A7.C6.3.4.1.:

**From:**

A7.C6.3.5.1. For Problem Disbursements. Problem Disbursement (PD) write-off authority exists for up to \$2,500 per transaction. Refer to DoD FMR Volume 3, Chapter 11 for an elaboration of the policies and procedures relative to PDs. PDs greater than \$2,500 should be brought to the attention of DSCA (Business Operations Directorate, Financial Policy and Analysis Division) via the FMS Case Reconciliation and Closure EXCOM for resolution, provided those PDs have not exceeded the timelines noted in Section A7.C2.10.

**To:**

A7.C6.3.4.1. For Problem Disbursements. Problem Disbursement (PD) write-off authority exists for up to \$2,500 per transaction. Refer to DoD FMR Volume 3, Chapter 11 for an elaboration of the policies and procedures relative to PDs. PDs greater than \$2,500 should be brought to the attention of ~~the DSCA Comptroller (Office of Business Operations, Comptroller Directorate (OBO/CMP)) via the Case Closure Mailbox (dsca.ncr.dbo.mbx.case-closure-requests@mail.mil)~~ ~~FMS Case Reconciliation and Closure EXCOM~~ for resolution, provided those PDs have not exceeded the timelines noted in Section A7.C2.10.

23. Replace the existing RCG Figure A7.C6.F1. with the following:

**Figure A7.C6.F1. Request for Resolution of Problem Disbursement in Excess of \$2,500**

**Section 1 – Overview**

The following supply and services complete FMS case is hereby submitted to DSCA Comptroller for resolution of a problem disbursement in excess of \$2,500 as detailed below.

Request Submission Date:		
Implementing Agency: (Organization Name)		
Implementing Agency Point of Contact	Name:	
	Phone:	
	E-mail:	
Case Identifier: (Country/IA/Identifier (XX-X-XXX))		
Supply/Services Completion Date: (MM/YYYY)		
Amount of Problem Disbursement:		

**Section 2 – Detailed Information**

1. Summary of Issue

2. Actions Taken

3. Other Relevant Information

**Section 3 – Authoritative Guidance**

1. [DoD FMR Volume 3, Chapter 11, Sections 7 – 8.](#)
2. Other:

**Section 4 - Approval**

**FOR DSCA USE ONLY**

- Concur – Request is approved
- Non-concur with the following remarks:

<SIGNATURE>  
Comptroller  
Defense Security Cooperation Agency