



**DEFENSE SECURITY COOPERATION AGENCY**  
2800 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-2800

24 MAR 2025

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, SECURITY COOPERATION ACCOUNTING  
DIRECTORATE, 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 25-24, Appendix 6  
Updates - Financial Notes [SAMM E-Change 688]

This memorandum updates the Security Assistance Management Manual (SAMM) Appendix 6 financial notes with formatting, administrative, and style changes. The policy in the attachment is incorporated into the DSCA SAMM at <https://samm.dsca.mil>.

If you have any questions concerning this guidance or for general questions about the SAMM, please contact DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)) at [dsca.ncr.spp.mbx.epa@mail.mil](mailto:dsca.ncr.spp.mbx.epa@mail.mil).

A handwritten signature in black ink, appearing to read "DF", is located below the contact information.

David Ferrari  
Assistant Director  
Strategy, Plans, and Policy

Attachment:

SAMM E-Change - 688 - Appendix 6 Updates - Financial Notes

## Attachment: SAMM E-Change - 688 - Appendix 6 Updates - Financial Notes

- 1) The following Notes in Appendix 6 are updated (changes shown in **red text**).

### Accessorial Charges

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.5</a> .	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) and Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs)</b> that include accessorial charges (e.g., <b>packing, crating, and handling (PC&amp;H)</b>, and transportation).</p> <p>Mandatory for Amendments and Modifications even if the Accessorial Charges are not affected by the changes being made.</p>	
<b>Note Text</b>	
<p>"A(n) [insert type of charge] charge has been applied to the applicable portions of <b>line</b> number(s) [insert applicable <b>line</b> numbers]."</p> <p>Note: Repeat this sentence as needed for each separate charge. All of the accessorial charges may be included in a single note with each charge listed separately within the note.</p> <p>For example:</p> <ol style="list-style-type: none"><li>1. "A transportation charge has been applied to the applicable portions of <b>line</b> numbers 003 and 005."</li><li>2. "A <b>packing, crating, and handling (PC&amp;H)</b> charge has been applied to the applicable portions of <b>line</b> numbers 001 and 052."</li></ol> <p>If the <a href="#">Transportation Cost Look-Up Table (Appendix 2)</a> is used to determine transportation costs, the following sentence should be included within this note:</p> <p>"The Transportation Cost Look-Up Table (<a href="#">Appendix 2 of the Security Assistance Management Manual (SAMM)</a>) was used to calculate transportation charges on <b>line</b> number(s) [insert applicable <b>line</b> number]."</p>	

## Administrative Surcharge

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	Limited
<b>References</b>	
See Section <a href="#">C9.5</a> .	
<b>Note Usage Instructions for Documents</b>	
<p>Limited dates of use - Apply to all documents as needed. The exception is Title 10 Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs) beginning on or after 14 August 2020.</p> <p>Mandatory for Foreign Military Sales (FMS) and BPC LOAs that include administrative surcharges, unless covered by another administrative surcharge note.</p> <p>Mandatory for Amendments and Modifications even if the administrative surcharges are not affected by the changes being made.</p>	
<b>Note Text</b>	
<p>"An administrative surcharge of 3.2% has been applied to lines [insert applicable line numbers]."</p> <p>And/or</p> <p>"An administrative surcharge of 3.5% has been applied to lines [insert applicable line numbers]."</p> <p>And/or</p> <p>"An administrative surcharge of 3.8% has been applied to lines [insert applicable line numbers]."</p> <p>And/or</p> <p>"An administrative surcharge of 2.5% has been applied to lines [insert applicable line numbers]."</p> <p>And/or</p> <p>"An administrative surcharge of 3% has been applied to lines [insert applicable line numbers]."</p> <p>And/or</p> <p>"An administrative surcharge of 5% has been applied to [insert applicable line numbers]."</p> <p>And/or</p> <p>"An administrative surcharge has not been applied to lines [include applicable line numbers]."</p> <p>And/or</p> <p>"The previous administrative surcharge of [x.x%] has been manually calculated in accordance with the <b>Building Partner Capacity (BPC)</b> Interim Accounting Solution, and adjusted to match actual execution at Case Level, based on <b>Defense Security Cooperation Agency (DSCA)</b> direction, for the following line(s): [include applicable line numbers]."</p> <p>[[The following is Info Only - do not include on the case. This note is for use with all Title 10 BPC cases implemented prior to August 14, 2020 only; this applies to direction received from DSCA to reduce admin on a case, but does not require reduction to zero for the specified case lines. If more than one surcharge rate is impacted by this direction, include additional variations of this note as needed.]]</p> <p>Or</p> <p>"The previous administrative surcharge of [x.x%] has been manually reduced to zero in accordance with the <b>Building Partner Capacity (BPC)</b> Interim Accounting Solution, based on <b>Defense Security Cooperation</b></p>	

**Agency (DSCA)** direction, for the following line(s): [include applicable line numbers].”

[[The following is Info Only - do not include on the case. This note is for use with all Title 10 BPC cases implemented prior to August 14, 2020 only; this applies to direction received from DSCA to reduce admin to zero for the specified case lines. If more than one surcharge rate is impacted by this direction, include additional variations of this note as needed.]]

Or

“The administrative surcharge of [x.x%] does not apply to lines added after implementation of the **Building Partner Capacity (BPC)** Interim Accounting Solution. Affected lines are: [include applicable line numbers].”

[[The following is Info Only - do not include on the case. This note is for use with all TITLE 10 BPC cases implemented prior to August 14, 2020 only; retain prior percentage notes if other lines continue to use the applicable rate(s). If more than one surcharge rate is impacted by this change, include additional variations of this note as needed.]]

Or

“Unit cost or price increases to a line, after implementation of the **Building Partner Capacity (BPC)** Interim Accounting Solution, does not increase the administrative surcharge; the previous administrative surcharge of [x.x%] is now manually set to the calculated rate of the line's pre-adjustment amounts. These manually-set amounts may decrease if the unit cost or price is later revised below the pre-adjusted amounts. Affected line(s) are: [include applicable line numbers].”

[[The following is Info Only - do not include on the case. This note is for use with all TITLE 10 BPC cases implemented prior to August 14, 2020 only; retain prior percentage notes if other lines continue to use the applicable rate(s). If more than one surcharge rate is impacted by this change, include additional variations of this note as needed.]]

Only include the percentages that are included on the case.

## Administrative Surcharge Rate Change

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	Limited
<b>References</b>	
See <a href="#">Chapter 9</a> .	
<b>Note Usage Instructions for Documents</b>	
<p><b>Limited dates of use - Apply to all documents as needed for documents with an Offer Expiration Date (OED) on or after 1 June 2018. Do not include Title 10 Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs) beginning 14 August 2020.</b></p> <p>Use for Foreign Military Sales (FMS) and BPC LOAs and Amendments.</p> <p>NOTE: On the first Modification or Amendment being accomplished post Implementation of the document that added this note, delete this note as it will no longer be applicable to the given case after the document is Implemented and/or subsequent documents processed to update the Administrative Surcharge rate as applicable.</p>	
<b>Note Text</b>	
<p>"Effective 1 June 2018, the Foreign Military Sales (FMS) Administrative Surcharge rate assessed against FMS cases will be 3.2%. This document includes one or more of the following conditions: new case <b>line(s)</b>, increases in quantity or period of performance/lead-time on defined order line(s), and/or increases the dollar value of blanket order line(s) which are priced using the 3.2% rate since the Offer Expiration Date (OED) of this document falls on or after 1 June 2018. If this document is "Accepted" (signed by the purchaser) prior to 1 June 2018, the 3.5% rate will remain valid. If this document is "Accepted" on or after 1 June 2018, it will be implemented as-written and a Modification or Amendment, as appropriate, will be processed to change the FMS Administrative Surcharge to reflect the correct rate for any effected <b>lines</b>."</p>	

## Administrative Surcharge Rate Change - Offered Documents

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	IA
<b>Date Range of Use</b>	Limited
<b>References</b>	
See <a href="#">Chapter 9</a> .	
<b>Note Usage Instructions for Documents</b>	
<p>Limited dates of use - Apply to all documents as needed for documents with an Offer Expiration Date (OED) on or after 1 June 2018.</p> <p>Mandatory for pen and ink changes to <b>Foreign Military Sales (FMS) and Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs)</b>. This note applies to LOAs and Amendments that include one or more of the following conditions: new case <b>line(s)</b>, increases in quantity or period of performance/lead-time on defined order line(s), <b>and/or</b> increases the dollar value on blanket order line(s) which are priced using the previous 3.5% rate. Note verbiage to be added as a separate paragraph in the FMS Administrative Surcharges note as applicable.</p> <p>NOTE: On the first Modification or Amendment being accomplished post Implementation of the document that added this note, delete this note paragraph as it will no longer be applicable to the given case after the document is Implemented and/or subsequent documents processed to update the FMS Administrative Surcharge rate as applicable.</p>	
<b>Note Text</b>	
<p>"Effective 1 June 2018, the Foreign Military Sales (FMS) Administrative Surcharge rate assessed against FMS cases will be 3.2%. This document includes one or more of the following conditions: new case <b>line(s)</b>, increases in quantity or period of performance/lead-time on defined order line(s), and/or increases the dollar value on blanket order line(s) which are priced using the previous rate of 3.5%. If this document is "Accepted" (signed by the purchaser) prior to 1 June 2018, the 3.5% (standard/non-standard) rate will remain valid. However, if this document is "Accepted" on or after 1 June 2018, it will be implemented as-written and a Modification or Amendment, as appropriate, will be processed to change the FMS Administrative Surcharge to reflect the correct rate for any effected <b>lines</b>."</p>	

## Administrative Surcharge Waiver - **Euro North Atlantic Treaty Organization (NATO) Joint Jet Pilot Training (ENJJPT)**

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications</b> in support of the <b>Euro-North Atlantic Treaty Organization (NATO) Joint Jet Pilot Training (ENJJPT)</b> Program, as amended, dated 9 December 1980.</p> <p>Mandatory for Amendments and Modifications even if the administrative surcharges are not affected by the changes being made.</p>	
<b>Note Text</b>	
<p>"This <b>Letter of Offer and Acceptance (LOA)</b> is in support of <b>Euro-North Atlantic Treaty Organization (NATO) Joint Jet Pilot Training (ENJJPT)</b> Program, as amended, dated 9 December 1980, as authorized under the provisions of section 21(g) of the <b>Arms Export Control Act (AECA) (22 U.S.C. 2761(g))</b>. Administrative surcharges, to include any Small Case Management line (SCML) value, totaling [insert dollar value] are waived on this LOA and are not reimbursed as set out in the <b>Deputy Secretary of Defense (DEPSECDEF)</b> Memorandum dated 11 October 1979."</p>	

## Administrative Surcharge Waiver - North Atlantic Treaty Organization (NATO) Airborne Warning and Control System (AWACS)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications that have waived administrative surcharges in support of the North Atlantic Treaty Organization (NATO) Airborne Warning and Control System (AWACS) Acquisition program under the AWACS Memorandum of Understanding (MOU) as defined in <a href="#">10 U.S.C. 2350(e)</a> to be the Multilateral MOU Between the NATO Ministries of Defense on the NATO E-3A Cooperative Programme signed December 6, 1978 and the Addendum to the 1978 MOU signed December 7, 1990. Also see the MOU for Operations and Support of the NATO Airborne Warning and Control Force, signed September 26, 1984 and any other follow-on support agreement for the NATO E-3A Cooperative Programme.</p> <p><del>Mandatory for Amendments and Modifications even if the administrative surcharges are not affected by the changes being made. Specifically for country code "N1" and "W1" LOAs.</del></p>	
<b>Note Text</b>	
<p>"This Letter of Offer and Acceptance (LOA) is in support of the North Atlantic Treaty Organization (NATO) Airborne Warning and Control System (AWACS) Acquisition program under <a href="#">10 U.S.C. 2350e</a>. Any surcharge for administrative services, to include Small Case Management Line (SCML), otherwise chargeable totaling [insert dollar value] are waived on this LOA and are not reimbursed as authorized by <a href="#">10 U.S.C. 2350e</a> and the waivers in the <a href="#">Secretary of Defense (SECDEF) Memoranda</a>, dated 18 April 1997 and 13 December 1979."</p>	



## Administrative Surcharge Waiver - North Atlantic Treaty Organization (NATO) Support and Procurement Agency (NSPA)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See Section <a href="#">C9.6.1.2.</a>	
<b>Note Usage Instructions for Documents</b>	
Mandatory for North Atlantic Treaty Organization (NATO) Support and Procurement Agency (NSPA) Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications falling under Support Partnerships and NATO Supreme Headquarters Allied Powers, Europe (SHAPE) projects that have waived administrative surcharges.	
<b>Note Text</b>	
<p>"This Letter of Offer and Acceptance (LOA) is in support of [insert title of the weapon system partnership agreement or North Atlantic Treaty Organization (NATO)/Supreme Headquarters Allied Powers Europe (SHAPE) project]. Administrative charges, to include any Small Case Management Line (SCML) value, waived on this LOA will be reimbursed to the Foreign Military Sales (FMS) Admin Account from Program 10 funds controlled by the U.S. Mission to NATO, [insert reference describing U.S. Mission to NATO documentation]. Administrative charges are waived by the Director, Defense Security Cooperation Agency (DSCA), under the provisions of Section 21(e)(3)(A) of the Arms Export Control Act (AECA) (<a href="#">22 U.S.C. 2761(e)(3)(A)</a>)."</p>	

## Administrative Surcharge Waiver - Reciprocal Training Agreements

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See Table <b><u>C10.T15.</u></b> and <b><u>C10.T16.</u></b> for applicable agreements.	
<b>Note Usage Instructions for Documents</b>	
Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications</b> that have waived administrative surcharges, indirect costs and costs of billeting of trainees on non-dedicated training based on reciprocal training agreements. Reimbursement of waived costs may be required to be made from appropriations available to the DoD.	
<b>Note Text</b>	
<p>"This <b>Letter of Offer and Acceptance (LOA)</b> provides non-dedicated training on <b>line(s)</b> [insert <b>line</b> numbers] under reciprocal training agreement [insert title of the agreement] effective [insert effective date of the agreement] authorized under the provisions of Section 21(g) of the <b>Arms Export Control Act (AECA) (22 U.S.C. 2761(g))</b>. Administrative surcharges, [insert "to include the Small Case Management Line (SCML) value" if administrative surcharges have been waived on the entire case] totaling [insert dollar value] are applicable to the non-dedicated training on this LOA. The waived administrative surcharges will be reimbursed by [insert organization name] and have been reserved on [insert miscellaneous obligation document number]."</p>	

## Army Program Support Charge

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes - For Army Simplified Non-Standard Acquisition Program No - For Army Commercial Repair and Return Program
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	Limited
<b>References</b>	
See Section <a href="#">C9.5.</a>	
<b>Note Usage Instructions for Documents</b>	
Limited dates of use - Apply to all Foreign Military Sales (FMS) and Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications that add/include a line or lines with Program Support Charges as needed on/after 1 October 2016 unless the latest version of the note is on the Implemented Version.	
<b>Note Text</b>	
<p>"A Program Support Charge has been applied to the applicable portions of <b>line</b> number(s) [insert applicable <b>line</b> numbers]."</p> <p>For example:</p> <p>"A Program Support Charge has been applied to the applicable portions of <b>line</b> numbers 007 and 009."</p>	

## Case Closure - **Foreign Military Sales (FMS)**

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See Section <a href="#">C16.3.3.</a>	
<b>Note Usage Instructions for Documents</b>	
Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> , (except <b>Foreign Military Sales Order (FMSO) I</b> ). Mandatory for Amendments and Modifications if the <b>Purchaser</b> changes from one type of closure to the other.	
<b>Note Text</b>	
For cases belonging to <b>Purchasers</b> under the Accelerated Case Closure (ACC) procedures: “The estimated closure date is 24 months after the date of projected final delivery or service performance, or 36 months for training cases.” For cases belonging to <b>Purchasers</b> not participating in ACC procedures: “The estimated closure date is 36 months after projected final delivery or service performance or the closure of underlying associated contracts, whichever occurs later.”	

## Coalition Solidarity Funds - Letter of Offer and Acceptance (LOA) Financing

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
Mandatory for all <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications</b> funded with Coalition Solidarity Funds <b>unless the latest version of the note is on the Implemented Version.</b>	
<b>Note Text</b>	
"This Letter of Offer and Acceptance (LOA) is financed by Coalition Solidarity Funds as set forth in the grant agreement signed by the Parties. The costs of the defense articles and services provided under this LOA cannot exceed the total of the Coalition Solidarity Funds provided in the referenced grant agreement unless the purchaser pays the additional costs."	

## Coalition Solidarity Funds Grant Agreement

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
Mandatory for all <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications</b> funded with Coalition Solidarity Funds <b>unless the latest version of the note is on the Implemented Version.</b>	
<b>Note Text</b>	
<p>"The Coalition Solidarity Funds Grant Agreement financing this Letter of Offer and Acceptance (LOA) must be signed before the LOA can be implemented. The purchaser is required to return two (2) signed duplicate originals of the grant agreement to <b>the Defense Security Cooperation Agency (DSCA)</b> (Office of Business Operations (OBO)), 2800 Defense Pentagon, Washington, D.C. 20301-2800. The purchaser must also include a copy of the signed grant agreement with the signed LOA that is being sent to <b>the Defense Finance Accounting Service (DFAS)</b> and the Implementing Agency per the Signed Copy Distribution section of the LOA. The grant agreement enters into force when the Director, DSCA, or in the absence of the Director, the Deputy Director signs the grant agreement."</p>	

## Contract Administration Services (CAS) Surcharge

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.5.</a> and <a href="#">Table C9.T4.</a>	
<b>Note Usage Instructions for Documents</b>	
Mandatory for <b>Foreign Military Sales (FMS) Letter of Offer and Acceptance (LOAs), Amendments, and Modifications</b> when any lines use a Source of Supply of "X" or "P" <b>unless the latest version of the note is on the Implemented Version.</b>	
<b>Note Text</b>	
<p>"For any lines on this <b>Letter of Offer and Acceptance (LOA)</b> document with a Source of Supply of 'X' or 'P,' the Contract Administration Services (CAS) surcharge rates apply: for Contract Administration, ____%; for Quality Assurance and Inspection, ____%; for Contract Audit, ____, for Overseas CAS, ____% [if Overseas CAS is applicable]. CAS has only been applied to the portion of "X"-coded <b>lines</b> expected to come from procurement."</p> <p>If a CAS waiver applies, add the following statement:</p> <p>"A waiver is authorized for the following CAS components: [fill in those that apply] based on [add reference and date]."</p>	

**Contract Administration Services (CAS) Surcharge - Air Force Installation Contracting Center (AFICC)**

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
Mandatory for all new U.S. Air Force Security Assistance and Cooperation Directorate (AFSAC)-managed Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications containing lines with Air Force Installation Contracting Center (AFICC) design and constructions contracts unless the latest version of the note is on the Implemented Version containing case lines with AFICC design and construction contracts.	
<b>Note Text</b>	
<p>Line(s) [insert applicable line numbers] are design and construction lines assigned to the Air Force Installation Contracting Center (AFICC) who performs quality assurance and inspection, and contract management, on their contracts with the U.S Air Force Security Assistance and Cooperation Directorate (AFSAC), and these services are directly charged to the line funding the contract. Therefore, Contract Administration Services (CAS) elements quality assurance and inspection, and contract administration management, are not applied to the line(s).</p> <p>CAS element contract audit is applied at [insert applicable rate] %.</p> <p>or</p> <p>CAS element contract audit is waived based on agreement dated [insert date of agreement]. [[Use only if approved country waiver exists. If approved country waiver for contract audit does not exist, delete this portion of the note]]</p>	



## Contract Administration Services (CAS) Surcharge - Parts Repair and Ordering System (PROS)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Table C9.T4. - Contract Administrative Services (CAS) Surcharge</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for Foreign Military Sales (FMS) and Title 22 Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs) containing <b>Parts Repair and Ordering System (PROS)</b> procurement lines.</p> <p>Mandatory for all FMS and Title 22 BPC Amendments and Modifications when any line(s) that contain PROS procurement even if the CAS is not affected by the changes being made.</p> <p>Mandatory for Title 10 BPC Amendments and Modifications for LOAs implemented prior to 14 August, 2020 when line(s) that contain PROS procurement even if the CAS is not affected by the changes being made.</p>	
<b>Note Text</b>	
<p>Line(s) [insert applicable line numbers] are Parts and Repair Ordering System (PROS) procurement lines. The full administration of PROS is provided through a contracted program office and no additional services for contract administration, quality assurance, or contract audit are provided. Therefore, Contract Administration Services (CAS) elements quality assurance and inspection, contract administration management, and contract audit are not applicable to the line(s).</p>	

## Contract Administration Services (CAS) Surcharge - U.S. Army Corps of Engineers (USACE)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Table C9.T4. - Contract Administration Services (CAS) Surcharge</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) and Title 22 Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs)</b> containing U.S. Army Corps of Engineers (USACE) design and construction lines.</p> <p>Mandatory for all FMS and Title 22 Amendments and Modifications when any line(s) that contain USACE design and construction lines even if the CAS is not affected by the changes being made.</p> <p>Mandatory for Title 10 BPC Amendments and Modifications for LOAs implemented prior to 14 August 2020 when line(s) that contain USACE design and construction lines even if the CAS is not affected by the changes being made.</p>	
<b>Note Text</b>	
<p>Line(s) [insert applicable line numbers] are U.S. Army Corps of Engineers (USACE) lines on a design and construction contract(s). USACE performs quality assurance and contract administration management within their supervision and administrative rate which is charged directly to the line funding the contract. Therefore, Contract Administration Services (CAS) elements quality assurance and inspection and contract administration management are not applied to the line(s).</p> <p>CAS element contract audit is applied at [insert applicable rate] %.</p> <p>or</p> <p>CAS element contract audit is waived based on agreement dated [insert date of agreement]. [[Use only if approved country waiver exists. If approved country waiver for contract audit does not exist, delete this portion of the note]]</p>	

## Financial Statement Audit

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
Mandatory for all new <b>Foreign Military Sales (FMS)</b> Letters of Offer and Acceptance ( <b>LOAs</b> ), <b>Amendments, and Modifications</b> unless the latest version of the note is on the <b>Implemented Version</b> .	
<b>Note Text</b>	
<p>"Security Assistance Accounts (SAA) are subject to U.S. Government financial audits in compliance with the audit provisions of the Chief Financial Officers (CFOs) Act of 1990 (<a href="#">P.L. 101-576</a>), as amended, the Government Management Reform Act (GMRA) of 1994 (<a href="#">P.L. 103-356</a>), and the Federal Financial Management Improvement Act of 1996 (<a href="#">P.L. 104-208</a>). Per section 1.2 of the Letter of Offer and Acceptance (LOA) Standard Terms and Conditions, the U.S. Government will furnish the items from its stocks and resources or will procure them under terms and conditions consistent with <b>DoD</b> regulations and procedures. These procedures include DoD's internal audits that will be performed on all SAAs. All transactions associated with this LOA may be audited and reviewed by an Independent Public Accountant. <a href="#">Title 10 United States Code Section U.S.C. 130c</a> protects a purchaser's sensitive Foreign Military Sales information from public dissemination."</p>	

## Foreign Military Financing (FMF)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	Limited
<b>References</b>	
See <a href="#">Section C9.7.2.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Limited dates of use - Apply to all Modifications and Amendments of Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs) with a DSCA (Office of International Operations, Global Execution Directorate, Case Writing and Development Division (IOPS/GEX/CWD)) approval date prior to January 1, 2011 per note usage instructions.</p> <p>Effective January 1, 2011, this note may no longer be used on <b>LOAs</b> as note wording has been incorporated into the Standard Terms and Conditions.</p> <p>Use in accordance with above when the purchaser is approved (or anticipated to be approved) for Foreign Military Financing (FMF) if the note was previously not included on the case.</p>	
<b>Note Text</b>	
<p>"If the Terms of Sale specify Foreign Military Financing (FMF), the purchaser will pay to the U.S. Government, on a dependable undertaking basis, such costs as may be in excess of the amount funded by FMF."</p>	

## Joint Ukraine Multinational Program - Services, Training, and Articles Rapid Timeline (JUMPSTART)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
Mandatory for all new <b>Foreign Military Sales (FMS)</b> Letters of Offer and Acceptance (LOAs), Amendments, and Modifications with the Program Code of “JU” <b>unless the latest version of the note is on the Implemented Version.</b>	
<b>Note Text</b>	
<p>“The Government of Ukraine, as Purchaser, is responsible for all costs associated with this <b>Letter of Offer and Acceptance (LOA)</b>. Any entities other than the Government of Ukraine that may have contributed funding to this LOA are not responsible for its implementation, to include not being responsible for any potential cost increases associated with its implementation. In the event the actual costs of the defense articles and services provided on this LOA exceed the amount of funding provided as Cash-with-Acceptance at case implementation, the Government of Ukraine, as Purchaser, acknowledges its responsibility to pay those costs.”</p>	

## Military Assistance Program (MAP) Redistributed Property

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	DSCA OBO IM&T
<b>Date Range of Use</b>	All
<b>References</b>	
See Table <u>DSCA 24-04 Attachment B - SPS.4.T2.</u>	
<b>Note Usage Instructions for Documents</b>	
Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> , and <b>Modifications that add/include</b> items originally purchased <b>under the Military Assistance Program (MAP)</b> unless the latest version of the note is on the <b>Implemented Version</b> .	
<b>Note Text</b>	
"Upon acceptance, the purchaser should return one signed copy of this <b>Letter of Offer and Acceptance (LOA)</b> to Defense Financing and Accounting Service-Indianapolis, Attn: Security Assistance Accounting, DFAS-JAX/IN, 8899 E. 56th Street, Indianapolis, IN 46249-0230."	

## Nonrecurring Costs - Apply

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Table C9.T4</a> .	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge applies and has been included in the price.</p> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added and the NC charge applies to the new <b>lines</b> and has been included in the price; or quantities are increased on <b>lines</b> where an NC charge applies and has been included in the price.</p>	
<b>Note Text</b>	
"Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert numbers] of this <b>Foreign Military Sales (FMS)</b> case and are included within the cost of the <b>line</b> ."	

## Nonrecurring Costs - Apply (Estimated)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.4.5.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge applies but final NC rates have not yet been established so an estimated amount has been included in the price.</p> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added and the NC charge applies to the new <b>lines</b> but final NC rates have not yet been established so an estimated amount has been included in the price; or quantities are increased on <b>lines</b> where an NC charge applies but final NC rates have not yet been established so an estimated amount has been included in the price.</p>	
<b>Note Text</b>	
<p>"Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert numbers] of this <b>Foreign Military Sales (FMS)</b> case. An estimated amount for NC is included in the price of the <b>line</b>. Once a final NC value is approved by the U.S. Government, a Modification will be issued to adjust the price."</p>	



## Nonrecurring Costs - Cooperative Agreements

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See Section <a href="#">C9.6.3.2.5</a> .	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge is collected or waived as part of a cooperative project or consortium of which U.S. Government is a member.</p> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added and the consortium NC charge applies to the new <b>lines</b>; or quantities are increased on <b>lines</b> where a consortium NC charge applies.</p>	
<b>Note Text</b>	
<p>Varies - Implementing Agencies must contact <b>the Defense Security Cooperation Agency (DSCA)</b> (Operations, Programs, and Strategy Directorates) for assistance in drafting a unique note and the approved version will be provided <b>to DSCA (Office of International Operations, Global Execution Directorate, Case Writing and Development Division (IOPS/GEX/CWD))</b> via the <b>Defense Security Assistance Management System (DSAMS)</b> Case Remarks for inclusion into the case.</p>	

## Nonrecurring Costs - **Foreign Military Sales (FMS) Credit (Non-Repayable)**

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.4.5.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge applies but the Term of Sale is “FMS Credit (Non-Repayable).”</p> <p>Mandatory for Amendments and Modifications when the Term of Sale remains “FMS Credit (Non-Repayable) and <b>lines</b> are added and the NC charge applies to the new <b>lines</b>; or quantities are increased on <b>lines</b> where an NC charge applies.</p>	
<b>Note Text</b>	
<p>“Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert numbers] of this <b>Foreign Military Sales (FMS)</b> case. These charges are not included on this case because the Term of Sale is “FMS Credit (Non-Repayable).” If the Terms of Sale on this case are changed to include other terms, NC charges will be added to this case unless a waiver is requested and approved.”</p>	

## Nonrecurring Costs - **Military Assistance Program (MAP) Merger**

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.4.5.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge applies but the Term of Sale is “<b>Military Assistance Program (MAP) Merger.</b>”</p> <p>Mandatory for Amendments and Modifications when the Term of Sale remains “MAP Merger and <b>lines</b> are added and the NC charge applies to the new <b>lines</b>; or quantities are increased on <b>lines</b> where an NC charge applies.</p>	
<b>Note Text</b>	
<p>“Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert numbers] of this <b>Foreign Military Sales (FMS)</b> case. These charges are not included on this case because the Term of Sale is “MAP Merger.” If the Terms of Sale on this case are changed to include other terms, NC charges will be added to this case unless a waiver is requested and approved.”</p>	

## Nonrecurring Costs - Non-U.S. Government Charges

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Table C9.T4</a> .	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge (known as a “Special NC”) is being collected on behalf of another country.</p> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added and the special NC charge applies to the new <b>lines</b>; or quantities are increased on <b>lines</b> where a special NC charge applies.</p>	
<b>Note Text</b>	
“Special Nonrecurring Costs (NC) apply to <b>line(s)</b> insert numbers] of this <b>Foreign Military Sales (FMS)</b> case and are included within the cost of the <b>line</b> . These costs are being collected on behalf of another country and cannot be waived by the U.S. Government.”	

## Nonrecurring Costs - U.S. Government Grant

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
N/A	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge applies but the Term of Sale is “U.S. Government Grant.” Use of this note for other than Coalition Solidarity Fund (CSF) grants requires coordination with <b>the DSCA Office of Business Operations, Financial Policy &amp; Regional Execution Directorate, Financial Policy Division (OBO/FPRE/FP)</b>.</p> <p>Mandatory for Amendments and Modifications when the Term of Sale remains “U.S. Government Grant” and <b>lines</b> are added and the NC charge applies to the new <b>lines</b>; or quantities are increased on <b>lines</b> where an NC charge applies.</p>	
<b>Note Text</b>	
<p>“Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert applicable <b>line</b> number]. These charges are not included on this case because the Term of Sale is “U.S. Government Grant.” If the Terms of Sale on this case are changed to include other terms, NC charges will be added to this case unless a waiver is requested and approved.”</p>	

## Nonrecurring Costs - Waiver Approved

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.6.3.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost (<b>NC</b>) charge applies but has been waived.</p> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added, and an NC charge applies to the new <b>lines</b> and has been waived; or quantities are increased on <b>lines</b> where an NC charge applies and has been waived.</p> <p>The note should identify the <b>DSCA Correspondence and Task Management System (CATMS) Task Identification (ID)</b>, which currently begin with the Office of Undersecretary of Defense for Policy (<b>OUSDP</b>) component name acronym <b>USP</b>, and date of all NC waivers that have been granted against the case.</p>	
<b>Note Text</b>	
<p>“Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert numbers] of this <b>Letter of Offer and Acceptance (LOA)</b>. The purchaser’s request to waive these charges has been approved by <b>Defense Security Cooperation Agency (DSCA)</b> memorandum [<b>“subject” and “tracking number”</b>], dated [insert date]. Therefore, these costs have not been included in this case.”</p>	

## Nonrecurring Costs - Waiver Under Review

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.6.3.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when a Nonrecurring Cost <b>(NC)</b> charge applies and:</p> <ol style="list-style-type: none"> <li>1. The costs are included in the price; and</li> <li>2. A waiver has been requested but has not yet been approved/disapproved.</li> </ol> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added and an NC charge applies to the new <b>lines</b> and a waiver has been requested but not approved/disapproved; or quantities are increased on <b>lines</b> where an NC charge applies and a waiver has been requested but not approved/disapproved.</p> <p>This note cannot be used if the justification for the waiver is “Loss of Sale” since “Loss of Sale” waivers must be approved prior to LOA (or Amendment when items are being added) signature/acceptance.</p>	
<b>Note Text</b>	
<p>“Nonrecurring Costs (NC) apply to <b>line(s)</b> [insert numbers] of this <b>Foreign Military Sales (FMS)</b> case and are included within the cost of the <b>line</b>. The purchaser’s request for waiver of NC charges against <b>line</b> [insert number] is under review and was forwarded to <b>the Defense Security Cooperation Agency (DSCA)</b> on [insert date]. If this waiver is approved, a <b>Letter of Offer and Acceptance (LOA)</b> Amendment or Modification will be prepared to delete these costs from this case.”</p>	

## Nonrecurring Costs Do Not Apply - **Building Partner Capacity (BPC)**

<b>Foreign Military Sales</b>	No
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C15.3.8.6.</a> and <a href="#">Section C15L.3.9.6.</a>	
<b>Note Usage Instructions for Documents</b>	
Mandatory for all <b>Building Partner Capacity (BPC)</b> Letters of Offer and Acceptance (LOAs). Mandatory for Amendments and Modifications to BPC cases.	
<b>Note Text</b>	
“Nonrecurring Costs (NC) do not apply to <b>Building Partner Capacity (BPC)</b> programs.”	



## Nonrecurring Costs Do Not Apply - **Foreign Military Sales (FMS)**

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.4.5.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs)</b> when no Nonrecurring Cost (<b>NC</b>) charges apply to any line on the case.</p> <p>Mandatory for Amendments and Modifications when <b>lines</b> are added and no NC charge applies to any <b>lines</b> on the case; or quantities are increased on <b>lines</b> where no NC charge applies to any <b>lines</b> on the case.</p>	
<b>Note Text</b>	
“Nonrecurring Costs (NC) do not apply.”	

## Payment Schedule - Purchaser Requested

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.9.2.3.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications</b> when a unique purchaser requested payment schedule has been approved.</p> <p>This note should be included beneath the payment schedule.</p>	
<b>Note Text</b>	
<p>“This schedule was requested by the purchaser [insert reference] and approved by [insert activity and date]. The U.S. Government reserves the right to bill for additional amounts if, during the execution phase, actual costs materialize at a rate that cannot be supported by the purchaser-based schedule.”</p>	

## Payment Schedule - Purchaser Requisition Driven

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.9.1.5.2.4.</a>	
<b>Note Usage Instructions for Documents</b>	
Mandatory for <b>Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs), Amendments, and Modifications</b> when a unique payment schedule based on purchaser requisitioning has been approved. This note should be included beneath the payment schedule.	
<b>Note Text</b>	
“This schedule represents the U.S. Government’s best approximation only and is ultimately determined by actual <b>Foreign Military Sales (FMS)</b> purchaser requisitioning.”	

## Risk Assessed Payment Schedules (RAPS) Standard Note

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	No
<b>Note Input Responsibility</b>	CWD
<b>Date Range of Use</b>	All
<b>References</b>	
See <a href="#">Section C9.8.4.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Mandatory for <b>Foreign Military Sales (FMS) Letter of Offer and Acceptance (LOAs)</b> when the Term of Sale of a Risk Assessment Payment Schedule (RAPS) has been approved.</p> <p>This note should be included beneath the payment schedule.</p> <p>Mandatory for Amendments and Modifications when RAPS remains a valid Term of Sale.</p>	
<b>Note Text</b>	
<p>“Risk Assessed Payment Schedules (RAPS) are authorized under Section 22 of the Arms Export Control Act (<b>AECA</b>) (<a href="#">22 U.S.C. 2762</a>). The RAPS on this Letter of Offer and Acceptance (<b>LOA</b>) was calculated and approved by <b>the Defense Security Cooperation Agency (DSCA) (Office of Business Operations, Financial Policy &amp; Regional Execution Directorate (OBO/FPRE))</b>. The initial deposit, or due with amendment acceptance amount, is front loaded to include the highest projected termination liability amount, and the payment schedule requires payments one year in advance of expected financial requirements, <b>to</b> mitigate risk to the U.S. Government. The U.S. Government reserves the right to bill for additional amounts if, during the execution phase, actual costs materialize at a rate that cannot be supported by the LOA’s stated payment schedule. <b>DSCA (OBO/FPRE)</b> must be notified and provide written approval prior to any payment schedule adjustments via a LOA modification or amendment. Any questions or concerns regarding RAPS should be addressed to <b>DSCA (OBO/FPRE)</b>.”</p>	

## Small Case Management Line (SCML)

<b>Foreign Military Sales</b>	Yes
<b>Building Partner Capacity</b>	Yes
<b>Note Input Responsibility</b>	IA
<b>Date Range of Use</b>	Limited
<b>References</b>	
See Section <a href="#">C9.4.7.</a>	
<b>Note Usage Instructions for Documents</b>	
<p>Limited dates of use - Mandatory for Foreign Military Sales (FMS) and Building Partner Capacity (BPC) Letters of Offer and Acceptance (LOAs) that include a Small Case Management Line (SCML).</p> <p>Mandatory for Amendments and Modifications that add an SCML to the case or if the existing SCML note text on the case varies from the below text.</p> <p>This note must be used as the Line Description LOA note for the SCML.</p> <p>Applicable to cases accepted between August 1, 2006 and July 2, 2012.</p>	
<b>Note Text</b>	
<p>"Small Case Management Line (SCML). Any case that is Accepted between August 1, 2006 and July 2, 2012 and does not charge at least \$15,000 in <b>Foreign Military Sales (FMS)</b> administrative surcharge using the established percentage must include an SCML to charge the difference in value between the calculated administrative surcharge amount and \$15,000. An SCML has been added to this case for that purpose. If this case is ever modified or amended and the calculated FMS administrative surcharge amount changes, the value of the SCML will be adjusted accordingly, but only downward. If this case is ever modified or amended to increase the case value such that the administrative surcharge collection will exceed \$15,000, the SCML will be reduced to \$0. The FMS administrative surcharge does not apply to the SCML."</p>	