



DEFENSE SECURITY COOPERATION AGENCY

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14 November 2025

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
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DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
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DIRECTOR OF CYBERSECURITY DIRECTORATE AND DEPUTY
NATIONAL MANAGER FOR NATIONAL SECURITY
SYSTEMS, NATIONAL SECURITY AGENCY

SUBJECT: Defense Security Cooperation Agency Policy Memorandum 25-72, Funding Non-Program of Record Activities [SAMM E-Change 772]

References: (a) Non-Program of Record Solutions Transferred Through Security Cooperation Authorities, [Defense Security Cooperation Agency Policy 25-35](#) (SAMM E-Change 751)

This memorandum, established in support of reference (a), governs the funding of Non-Program of Record (NPOR) activities during the Foreign Military Sales (FMS) Pre-Letter of Request (Pre-LOR) and Case Development phases. This memorandum is effective immediately. The policy in the attachment is incorporated into the DSCA Security Assistance Management Manual (SAMM) at <https://samm.dsca.mil>.

If you have questions on this memorandum, please contact DSCA (Office of Business Operations, Financial Policy & Regional Execution Directorate, Financial Policy Division (OBO/FPRE/FP)) at dsca.ncr.obo.list.fpre-fp@mail.mil. Please reference the DSCA policy number and memorandum subject.

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.

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Brian T. Watford
Acting Chief Operating Officer and Chief Financial Officer
Defense Security Cooperation Agency

Attachment: SAMM E-Change 772 - Funding Non-Program of Record Activities

Security Assistance Management Manual E-Change 772

FUNDING NON-PROGRAM OF RECORD ACTIVITIES

1. Add C9.3.4.7. (and subsections) per below:

C9.3.4.7. Funding Pre-Letter of Request and Case Development Activities for Non-Program of Record. A Non-Program of Record (NPOR) represents a non-standard capability or system that the DoD has not formally adopted, fielded, or funded. Implementing Agencies (IAs) are authorized to use funding as specified in [Table C9.T2A](#) for NPOR Pre-Letter of Request (LOR) activities. IAs are further authorized to use current year FMS Administrative Surcharge Account funding allocations for case development. Once the NPOR Letter of Offer and Acceptance (LOA) is implemented, the IA should request reimbursement of documented NPOR-unique expenses to the FMS Administrative Surcharge Account to the maximum extent feasible. If an LOA is not developed or implemented, the Pre-LOR funds originally used will remain the appropriate funding source. For case development activities, partner nation funding, obtained through an Analysis and Studies case or a Technical Assistance case, is the preferred method to be considered by the IA in lieu using FMS Administrative Surcharge Account funds. In the event additional funds are still needed to develop the LOR and/or LOA, the IA may utilize the existing process in [Chapter 14](#) for an out-of-cycle FMS Administrative Surcharge Account funds request to obtain funding (i.e. Unfunded Requirement (UFR)). All NPOR-related resourcing requests submitted to DSCA must meet the criteria in the [CAC-enabled SAMM](#) (DoD CAC Holders Only). For UFRs, the IA must detail all activities that require funding as a means to successfully develop and offer an LOA and demonstrate that all alternative avenues for funding have been pursued.

C9.3.4.7.1. Pre-Letter of Request. The FMS Activity Matrix ([Table C9.T2A](#).) specifies activities conducted during the Pre-LOR phase. Funding for these activities will be governed by the guidelines detailed in the table.

C9.3.4.7.2. Case Development. Case development for solutions not currently being procured by the DoD, that require additional activities such as: design, engineering, cost estimating, etc. in order to properly develop and price NPOR items in the LOA, can be funded by the FMS Administrative Surcharge Account or from an LOA. If FMS Administrative Surcharge Account funds are used, the subsequent case must reimburse the FMS Administrative Surcharge Account. An Analysis and Studies LOA or a Technical Support LOA can be created in the event the partner has no available active cases to fund NPOR case development. To the greatest extent possible, the IA will take into consideration the FMS purchaser's request, the complexity of the activity, and forecasted resource requirements when determining the LOA costs. The Foreign Military Sales Activity Matrix – Non-Program of Record, located in [Table C9.T2C](#)., describes FMS case development activities for NPOR. The preferred method is to have case development activities funded upfront by a case, removing the need to perform reimbursement actions in the future.

C9.3.4.7.2.1. Any FMS Administrative funds used to fund NPOR unique expenses for case development efforts must be reimbursed to the FMS Administrative Surcharge Account once the NPOR case is implemented. Reimbursed amounts must be included in the initial deposit of the NPOR case. See [Section C9.3.11.](#) for reimbursement process.

2. Add Table C9.T2C per below:

Table C9.T2C. FMS Case Development Manpower Functions and Funding Source Matrix – Non-Program of Record

Case development efforts for solutions not currently being procured by the U.S. DoD may require additional activities such as: design, engineering, cost estimating, and other integration activities in order to properly develop and price the LOA.

This support can be acquired by either:

- a. The USG, based on analysis of the requirements, and must be captured in the case note from which the support is funded;
- b. The purchaser, through a request for unique requirements. These requests should be part of the LOR for the NPOR system and documented in the case note from which the support is funded;
- c. In the event the partner has no available, active cases from which to fund NPOR case development, an Analysis and Studies LOA or a Technical Support LOA can be created using the following manpower justification;
- d. If FMS Administrative funds are used, the subsequent case must reimburse the FMS Administrative Surcharge Account upon implementation.

Case Development	
Row	Activity
N-CD1	Responses to Requests for Information (RFI) to identify defense requirements, discuss with industry what is feasible and deliverable (including pricing and schedule), answer questions that may result in an LOA
N-CD2	LOR defense article/service configuration review process
N-CD3	Competitions and/or evaluations that require LOA quality data
N-CD4	Preparation of Price & Availability (P&A) data
N-CD5	Development of LOA pricing data and notes (including unique payment schedules)
N-CD6	Entry of case information into DSAMS.
N-CD7	Coordination of all LOA response documents throughout the Interagency, necessary for USG response to the LOR i.e. Manpower Travel Data Sheet (MTDS), Congressional Notification (CN), pricing documents, etc.
N-CD8	Quality control to ensure legal, financial and policy compliance

Case Development	
Row	Activity
N-CD9	Participation in NPOR case development related meetings
N-CD10	Preparation of LOA document package
N-CD11	Identify options to satisfy training requirements
N-CD12	Working with the partner nation to ensure the document meets their requirements - to include providing the MTDS, RP069, etc. if requested
N-CD13	Conceptual design/engineering efforts required to properly price a line on the LOA
N-CD14	Transportation assessments for unique requirements - determine transportation mode, staging requirements, storage, etc.
N-CD15	Case Planning Meetings
N-CD16	Pre-Countersignature Meetings
N-CD17	Line-by-line review with the partner nation of NPOR LOAs