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26 JUN 2026

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
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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 26-39, Delivery Reporting Documentation for Case Closure [SAMM E-Change 823]

Reference: Defense Security Cooperation Agency [Policy Memorandum 05-29](#), "Importance of Delivery Reporting", 23 Sep 2025

This policy rescinds the referenced memorandum as well as clarifies roles, responsibilities and timelines for reporting deliveries of defense articles and services under the foreign military sales (FMS) program. The policy in the attachment is incorporated into the DSCA 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 Watford
Acting Chief Operating Officer and Chief Financial
Officer

Attachment: SAMM E-Change 823 – Defense Security Cooperation Agency Policy
Memorandum 26-39, Delivery Reporting Documentation for Case Closure

Attachment: Security Assistance Management Manual E-Change 823

Defense Security Cooperation Agency Policy Memorandum 26-39, Delivery Reporting Documentation for Case Closure

1. Update Section C7.21.4.

From:

C7.21.4. Claims Documentation. To resolve claims of non-receipt, the USG provides evidence of shipment. This constitutes as "constructive proof of delivery" since title passes at the point of origin regardless of who furnishes the transportation. Any movement document, bill of lading, or receipt (signed by a carrier representative) that shows that a DoD shipping activity (including vendors filling DoD contracts for the FMS program) has released materiel to a carrier for shipment constitutes evidence of shipment. This evidence applies equally to shipments released to a purchaser's FMS freight forwarder or country representative, or for movement overseas via the DTS. Examples of these documents are Bills of Lading (BL), U.S. Postal Service (USPS) receipts (insured, certified, express or registered mail), or small parcel carrier pickup documents.

To:

C7.21.4. Claims Documentation. To resolve claims of non-receipt, the USG provides evidence of shipment. ~~See [Defense Transportation Regulation \(DTR\), Part II, Chapter 210, Table 210-4 Supporting Documentation for TDR Development](#). This constitutes as "constructive proof of delivery" since title passes at the point of origin regardless of who furnishes the transportation. Any movement document, bill of lading, or receipt (signed by a carrier representative) that shows that a DoD shipping activity (including vendors filling DoD contracts for the FMS program) has released materiel to a carrier for shipment constitutes evidence of shipment.~~ This evidence applies equally to shipments released to a purchaser's FMS freight forwarder or country representative, or for movement overseas via the DTS. Examples of these documents are Bills of Lading (BL), U.S. Postal Service (USPS) receipts (insured, certified, express or registered mail), or small parcel carrier pickup documents.

2. Update Section C9.13.1.1.

From:

C9.13.1.1. Foreign Military Sales Integrated Control System. After a Foreign Military Sales (FMS) case is implemented, the Implementing Agency (IA) executes the program. The IA reports the nature and financial value of transactions to Defense Finance and Accounting Services - Indianapolis (DFAS-IN). The IA reports accrued expenditures, also referred to as "work-in-process" (e.g., progress payments made to contractors, Government Furnished Material (GFM) and/or Government Furnished Equipment (GFE) provided to contractors, and Nonrecurring Costs (NCs)), and physical deliveries within 30 days of the date of shipment or performance. The FMS Integrated Control System (FICS) Delivery Transaction is submitted bi-monthly in accordance with the schedule established by DFAS-IN. The format and instructions for completing the delivery transaction are prescribed in [Department](#)

[of Defense Financial Management Regulation \(DoD FMR\) 7000.14-R, Volume 15, Chapter 8.](#) Purchasers direct delivery problems and questions to the IA.

To:

C9.13.1.1. Foreign Military Sales Integrated Control System. After a Foreign Military Sales (FMS) case is implemented, the Implementing Agency (IA) executes the program. The IA reports the nature and financial value of transactions to Defense Finance and Accounting Services - Indianapolis (DFAS-IN). The IA reports accrued expenditures, also referred to as “work-in-process” (e.g., progress payments made to contractors, Government Furnished Material (GFM) and/or Government Furnished Equipment (GFE) provided to contractors, and Nonrecurring Costs (NCs)), and ~~physical constructive~~ deliveries within 30 days of the date of shipment or performance. The FMS Integrated Control System (FICS) Delivery Transaction is submitted bi-monthly in accordance with the schedule established by DFAS-IN. The format and instructions for completing the delivery transaction are prescribed in [Department of Defense Financial Management Regulation \(DoD FMR\) 7000.14-R, Volume 15, Chapter 8.](#) Purchasers direct delivery problems and questions to the IA.

3. Update Section C9.13.1.2.

From:

C9.13.1.2. Foreign Military Sales Physical (constructive) Delivery Reporting. Physical (Constructive) delivery is the delivery of materiel to a carrier for transportation to the consignee; delivery of materiel to the customer or the designated forwarder at point of production, testing or storage; delivery at dockside, at airports, or to a U.S. post office for shipment to the consignee. Delivery is evidenced by completed shipping documents or listings of delivery to the U.S. post office ([DoD FMR, Volume 6A, Chapter 13](#)). The IA submits FMS physical (constructive) delivery data for all major end items that have a unit of issue of “EA” for the generic codes shown in [Table C9.T29](#). Items are considered delivered when title passes to the purchaser. IAs report, within 30 days, all constructive deliveries for selected materiel lines to DFAS-IN by the 20th of each month in the C1 delivery transaction format ([Table C9.T30](#).), Reports Control Symbol (RCS) DSCA(M)1141. DFAS-IN, in turn, submits this data to the DSCA (Office of Business Operations (OBO)) for inclusion in the Case Performance Reporting Solution (CPRS). These transactions are not a part of the formal FMS billing system. This information is used to prepare Arms Export Control Act (AECA) required reports and to respond to inquiries.

To:

C9.13.1.2. Foreign Military Sales ~~Physical (constructive)~~ Constructive Delivery Reporting. ~~Physical (Constructive)~~ Constructive delivery is the delivery of materiel to a carrier for transportation to the consignee; ~~delivery of materiel to the customer or the designated forwarder at point of production, testing or storage; delivery at dockside, at airports, or to a U.S. post office for shipment to the consignee.~~ Delivery is evidenced by ~~completed~~ signed shipping documents. Reference [DTR, Part II, Appendix E, Security Cooperation Program \(SCP\) Shipments: Foreign Military Sales \(FMS\) and Building Partner Capacity \(BPC\) Program.](#) ~~or listings of delivery to the U.S. post office (DoD FMR, Volume 6A, Chapter 13).~~ The IA will request and obtain shipping documents, in accordance with the DTR, from relevant office(s) within 15 days of delivery ~~FMS physical (constructive) delivery~~

~~data~~ for all major end items that have a unit of issue of **each** (hereafter “EA”) for the generic codes shown in [Table C9.T29](#). The IA requires shipping documentation to support FMS constructive delivery shipping updates in their respective case execution system. ~~Items are considered delivered when title passes to the purchaser. IAs report, within 30 days, all constructive deliveries for selected materiel lines to DFAS-IN by the 20th of each month in the CI delivery transaction format (Table C9.T30.), Reports Control Symbol (RCS) DSCA(M)1141. DFAS-IN, in turn, submits this data to the DSCA (Office of Business Operations (OBO)) for inclusion in the Case Performance Reporting System (CPRS). These transactions are not a part of the formal FMS billing system. This information is used to prepare Arms Export Control Act (AECA) required reports and to respond to inquiries.~~

4. Add Section C9.13.1.3.

C9.13.1.3. Third-Party Accountability of Deliveries. Third parties are contractually obligated to care for all U.S. government property they hold in accordance with the [Department of Defense Instruction \(DoDI\) 5000.64, “Accountability and Management of DoD Equipment and other Accountable Property”](#). Contracts with FMS case funding must comply with the Federal Acquisition Regulation (see [Section C6.3.](#)). IAs shall obtain complete supporting documentation from third parties to ensure accountability and proper transfer of title for FMS materiel. Timely submission of these documents is critical to maintaining audit readiness and meeting reporting requirements under the Arms Export Control Act (AECA). At a minimum, third parties must provide work completion dates, expenses, mode of delivery, quantity, and requisition number to allow IAs to update their logistics systems. Items are considered shipped when either the title transfers to the partner or the item departs the consolidation point, whichever is applicable (see [Section C6.3.1.](#)).

5. Add Section C9.13.1.4.

C9.13.1.4. Physical Delivery. The customer, or the Designated Government Representative (DGR), is responsible for accepting delivery of materiel and signing the applicable receipt and acceptance documentation on behalf of the foreign government. Such documentation includes the [DD Form 1348 \(Issue Release/Receipt Document\)](#), Commercial Bill of Lading or Government Bill of Lading with consignee acknowledgment. See [Section C7.21.4.](#) for examples of delivery documentation. Security Cooperation Organizations (SCOs) / Military Groups (MILGP) shall work with partners and DGRs to confirm physical delivery of FMS shipments linked to Major Defense Equipment / Significant Military Equipment as soon as practical (See [Section C7.3.](#)).

6. Update Section C9.13.2.

From:

C9.13.2. Delivery Reporting Timelines. Timely reporting of delivery information to the FMS purchaser is critical. Estimated price codes may be used to report deliveries of major end items if an actual price is not available within 30 days of the shipment date. Estimated price codes must be used to report deliveries of major end items if an actual price is not available

within 90 days of the shipment date. All estimated billings must be converted to actual billings prior to closure.

To:

C9.13.2. Delivery Reporting Timelines. Timely reporting of delivery information to the FMS purchaser is critical. ~~Estimated price codes may be used to report deliveries of major end items if an actual price is not available within 30 days of the shipment date. Estimated price codes must be used to report deliveries of major end items if an actual price is not available within 90 days of the shipment date. All estimated billings must be converted to actual billings prior to closure.~~ To aid in the timely notification to purchasers, the IA must report all constructive deliveries in their respective case execution system for selected materiel lines to DFAS-IN within 30 days of the delivery event. The respective IA case execution systems interface with DIFS to transfer delivery reporting data. These reports are submitted automatically using the C1 delivery transaction format (see [Table C9.T30.](#)), Reports Control Symbol (RCS) DSCA(M)1141. For reporting that requires correction, IAs should submit needed corrections to DFAS-IN SCA by the 15th of the month. DIFS, in turn, transmits quantities on major end items to DSCA (OBO/FPRE) for inclusion in the Case Performance Reporting System (CPRS). These transactions are not a part of the formal FMS billing system. This information is used to prepare Arms Export Control Act (AECA) required reports and to respond to inquiries.

7. Add Section C9.13.2.1.

C9.13.2.1. Estimated price codes may be used to report physical deliveries ~~of major end items~~ if an actual price is not available within 30 days of the shipment date. Estimated price codes must be used to report physical deliveries of major end items if an actual price is not available within 90 days of the shipment date. All estimated billings must be converted to actual billings prior to closure.

8. Update Section C16.2.9.2.

From:

C16.2.9.2. Constructive Delivery Reporting. The lack of constructive delivery reporting is an inhibitor to case certification and closure. DoD components must report within 30 days of title transfer to the purchasing country, constructive deliveries to DFAS-IN the quantities of items on LOA lines having a unit of issue of "EA" for specific generic codes. Additional information is provided in [Section C9.13.1.2.](#)

To:

C16.2.9.2. Constructive Delivery Reporting. The lack of constructive delivery reporting is an inhibitor to case certification and closure. ~~DoD components IAs~~ must report **constructive delivery in their respective case execution system** within 30 days of title transfer to the purchasing country. ~~constructive deliveries to DFAS-IN the quantities of items on LOA lines having a unit of issue of "EA" for specific generic codes.~~ Additional information is provided in [Section C9.13.1.2.](#)

9. Update E-SAMM Glossary:

From:

TERM	DEFINITION	Link
Delivery	Includes constructive or actual delivery of defense articles; also, includes the performance of defense services for the customer or requisitioner, as well as accessorial services, when they are normally recorded in the billing and collection cycle immediately following performance.	
Constructive Delivery [FMS]	Completion of delivery of materiel to a carrier for transportation to a consignee, or delivery to a U.S. post office for shipment to a consignee. Delivery is evidenced by completed shipping documents or listings of delivery at the U.S. post office. The delivery of materiel to the customer or the customer's designated freight forwarder at a point of production, testing, or storage at dockside, at staging areas, or at airports constitutes actual delivery. Also referred to as physical delivery.	N/A

To:

TERM	DEFINITION	Link
Delivery	Includes constructive or actual physical delivery of defense articles; also, includes the performance of defense services for the customer or requisitioner, as well as accessorial services, when they are normally recorded in the billing and collection cycle immediately following performance.	N/A
Constructive Delivery [FMS]	Completion of delivery of materiel to a carrier for transportation to a consignee, consolidation/integration point , or delivery to a U.S. post office for shipment to a consignee. Delivery is evidenced by completed shipping documents or listings of delivery at the U.S. post office. The delivery of materiel to the customer or the customer's designated freight forwarder at a point of production, testing, or storage at dockside, at staging areas, or at airports constitutes actual delivery. Also referred to as physical delivery.	N/A

10. Add to E-SAMM Glossary:

TERM	DEFINITION	Link
Physical Delivery [FMS]	The actual possession of a Foreign Military Sales shipment by the partner at its final destination, regardless of shipping method.	N/A