



DEFENSE SECURITY COOPERATION AGENCY

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10 OCT 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
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
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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 (DSCA) Policy Memorandum 26-92,
Revisions to the To Be Kept Open List [SAMM E-Change 860]

References: (a) Defense Security Cooperation Agency [Policy Memorandum 25-89](#), "Additional Foreign Military Sales Case Classifier within the Defense Security Assistance Management System," February 6, 2026

(b) Defense Security Cooperation Agency [Policy Memorandum 25-97](#), "Prioritization of Case Closure Activities for Letters of Offer and Acceptance Implemented in Fiscal Years 2017 and Prior," January 7, 2026

This policy memorandum updates the Security Assistance Management Manual (SAMM) Chapter 16 To Be Kept Open List guidance to align with the CLOSHOLD milestone parameters established in reference (a). Specifically, this update details the procedures and responsibilities for keeping a Supply/Services Complete (SSC) case open at the partner country's request, allowing the partner sufficient time to determine how to utilize residual funds prior to closure. In accordance with reference (b), Foreign Military Sales cases implemented in fiscal year 2017 and prior must be prioritized for closure and therefore are prohibited from inclusion on any Implementing Agency's To Be Kept Open list.

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 860 – Revisions to the To Be Kept Open List

Security Assistance Management Manual E-Change 860

REVISIONS TO THE TO BE KEPT OPEN LIST

1. Update SAMM Section C16.2.13.2.:

From:

C16.2.13.2. To Be Kept Open List. If the purchaser indicates the intent is to execute the residual value of the FMS case, the IA will include it on the "To Be Kept Open" list upon written notification from the LOA signatory organization until requirements are identified to use the residual case value. At that time, the IA will remove the SSC status on the FMS case and remove it from the "To Be Kept Open" list. Until the case is removed from the "To Be Kept Open" list, the IA should follow-up every 60 days with the purchaser and provide DSCA the current status through the quarterly case closure reporting process. If disposition of the residual case value has not occurred after 180 days, the case should be removed from the "To Be Kept Open" list, and subsequently moved to interim or final closure as applicable. At that stage of the process, residual value will be returned to the FMS purchaser's holding account as part of the closure transaction. This policy is intended to allow the residual value to be used and is not a blanket endorsement for the addition of funds to the case that will extend the execution phase, which could prolong the reconciliation and closure of the case beyond set standards. FMS cases may be added to the list for other conditions such as DSCA-approved, purchaser-unique Unliquidated Obligation (ULO) closure thresholds. FMS cases added to the list for other conditions should be reviewed every 90 days to determine if they should remain on the list.

To:

C16.2.13.2. To Be Kept Open List. Each IA maintains an IA-specific To Be Kept Open list containing FMS cases in SSC status with residual FMS case funds available for the partner to execute before case closure. ~~If the purchaser indicates the intent is to execute the residual value of the FMS case,~~ The IA will include it the case on the its "To Be Kept Open" list upon ~~receiving~~ written notification from the ~~authorized~~ LOA signatory ~~organization~~ until requirements are identified to use the residual FMS case value or 180 days pass, whichever comes first. The initial 180-day retention period begins on the date the IA adds the case to its To Be Kept Open list. Note that, in accordance with Section C16.4, "Legacy Case Closure," FMS cases implemented in fiscal year 2017 and prior are prohibited from inclusion on any IA's To Be Kept Open list.

C16.2.13.2.1. In accordance with Section C16.2.12.2., after the IA codes the case SSC, the DSCA CFD posts the CLOSHOLD milestone in DSAMS to prevent the creation of new amendments, modifications, and/or revisions to the case. Upon written notification from the partner of their intent to spend down the residual funds, the IA will add the case

to its To Be Kept Open list and inform the DSCA CFD the case is being kept open while the partner decides how to execute the residual funds. The DSCA CFD will maintain the CLOSHOLD milestone on the case during that period and will not move the case to interim or final closure. If the partner decides to execute the residual case funds, the IA must be notified in writing, after which the IA will request the DSCA CFD remove the CLOSHOLD milestone in DSAMS. ~~At that time, the IA will then remove the case from SSC status on the FMS case and remove it from~~ and from the "To Be Kept Open" list, and proceed with the amendment.

C16.2.13.2.2. Until the case is removed from the To Be Kept Open list, the IA is required to follow-up every 60 days with the partner and provide DSCA (Office of Business Operations, Financial Policy and Regional Execution Directorate, Financial Analysis and Compliance Division (OBO/FPRE/FAC)) the current status through the quarterly case closure reporting process and must include the date the case was placed on the list. If disposition of the residual case value has not occurred after 180 days, the IA will remove the case ~~should be removed~~ from the "To Be Kept Open" list and subsequently move it to interim or final closure as applicable. DSCA (OBO/FPRE/FAC) will review the cases on the list quarterly and will remove any cases exceeding the 180-day limit. DSCA (OBO/FPRE/FAC) will inform the DSCA CFD and the IA of the removal so the IA can proceed with case closure. At that stage of the process, residual value will be returned to the FMS partner's holding account as part of the closure transaction. See Section C16.3.11. "Disposition of Excess Funds".

C16.2.13.2.3. If the purchaser requires additional time beyond the allotted 180 days to decide how to execute the residual funds, they must provide written notification to the IA and include the amount of time they require, up to an additional 180 days. The IA will share the notification with the DSCA CFD and DSCA (OBO/FPRE/FAC) and include the extended time in the quarterly case closure report.

C16.2.13.2.4. This policy is intended to allow the residual value to be used and is not a blanket endorsement for the addition of funds to the case that will extend the execution phase, which could prolong the reconciliation and closure of the case beyond set standards. FMS cases may be added to the list for other conditions such as DSCA-approved, purchaser-unique Unliquidated Obligation (ULO) closure thresholds. The IA is required to review FMS cases added to the list for other conditions ~~should be reviewed~~ every 90 days to determine if they should remain on the list.

2. Update SAMM Section AP7.C2.13.:

From:

AP7.C2.13.4. "To Be Kept Open" List. If the purchaser indicates the intent is to execute the residual value of the FMS case, the IA will include it on the "To Be Kept Open" list upon written notification from the LOA signatory organization until requirements are identified to use the residual FMS case value. At that time, the IA will remove the SSC status on the FMS case and remove it from the "To Be Kept Open" list.

Until the case is removed from the "To Be Kept Open" list, the IA should follow-up every 60 days with the purchaser and provide DSCA the current status through the quarterly case closure status reporting process. If disposition of the residual case value has not occurred after 180 days, the case should be removed from the "To Be Kept Open" list and a modification to the LOA prepared to return the residual case value. FMS Cases can be added to the list for other conditions such as DSCA-approved, purchaser-unique Unliquidated Obligation (ULO) closure thresholds. FMS cases added to the list for other conditions should be reviewed every 90 days to determine if they should remain on the list.

To:

AP7.C2.13.4. "To Be Kept Open" List. Each IA maintains an IA-specific To Be Kept Open list containing FMS cases in SSC status with residual FMS case funds available for the partner to execute before case closure. ~~If the purchaser indicates the intent is to execute the residual value of the FMS case, the IA will include it on its "To Be Kept Open" list upon receiving written notification from the authorized LOA signatory organization until requirements are identified to use the residual FMS case value or 180 days pass, whichever comes first. The initial 180-day retention period begins on the date the IA adds the case to its To Be Kept Open list. Note that, in accordance with Section C16.4, "Legacy Case Closure," FMS cases implemented in fiscal year 2017 and prior are prohibited from inclusion on any IA's To Be Kept Open list.~~

AP7.C2.13.4.1. In accordance with Section C16.2.12.2., after the IA codes the case SSC, the DSCA CFD posts the CLOSHOLD milestone in DSAMS to prevent the creation of new amendments, modifications, and/or revisions to the case. Upon written notification from the partner of their intent to spend down the residual funds, the IA will add the case to its To Be Kept Open list and inform the DSCA CFD the case is being kept open while the partner decides how to execute the residual funds. The DSCA CFD will maintain the CLOSHOLD milestone on the case during that period and will not move the case to interim or final closure. If the partner decides to execute the residual case funds, the IA must be notified in writing, after which the IA will request the DSCA CFD remove the CLOSHOLD milestone in DSAMS. ~~At that time, the IA will then remove the case from SSC status on the FMS case and remove it from and the "To Be Kept Open" list, and proceed with the amendment.~~

AP7.C2.13.4.2. Until the case is removed from the "To Be Kept Open" list, the IA is required to ~~should~~ follow-up every 60 days with the partner and provide DSCA (Office of Business Operations, Financial Policy and Regional Execution Directorate, Financial Analysis and Compliance Division (OBO/FPRE/FAC)) the current status through the quarterly case closure reporting process ~~and must include the date the case was placed on the list.~~ If disposition of the residual case value has not occurred after 180 days, the IA will remove the case ~~should be removed~~ from the "To Be Kept Open" list and subsequently move it to interim or final closure as applicable ~~a modification to the LOA prepared to return the residual case value.~~ DSCA (OBO/FPRE/FAC) will review the cases on the list quarterly and will remove any cases exceeding the 180-day limit. DSCA

(OBO/FPRE/FAC) will inform the DSCA CFD and the IA of the removal so the IA can proceed with case closure. At that stage of the process, residual value will be returned to the FMS partner's holding account as part of the closure transaction. See Section C16.3.11. "Disposition of Excess Funds".

AP7.C2.13.4.3. If the partner requires additional time beyond the allotted 180 days to decide how to execute the residual funds, they must provide written notification to the IA and include the amount of time required, up to an additional 180 days. The IA will share the notification with the DSCA CFD and DSCA (OBO/FPRE/FAC) and include the extended time in the quarterly case closure report.

AP7.C2.13.4.4. This policy is intended to allow the residual value to be used and is not a blanket endorsement for the addition of funds to the case that will extend the execution phase, which could prolong the reconciliation and closure of the case beyond set standards. FMS ~~C~~ases may be added to the list for other conditions such as DSCA-approved, partner-unique Unliquidated Obligation (ULO) closure thresholds. ~~The IA is required to review~~ FMS cases added to the list for other conditions ~~should be reviewed~~ every 90 days to determine if they should remain on the list.