



Department of Defense

DIRECTIVE

NUMBER 5105.65

October 31, 2000

Certified Current as of November 21, 2003

Incorporating Change 1, September 23, 2003

DA&M

SUBJECT: Defense Security Cooperation Agency (DSCA)

References: (a) Title 10, United States Code

(b) DoD Directive 5105.38, "Defense Security Assistance Agency,"
August 10, 1978 (hereby canceled)

(c) DoD 5105.38-M, "Security Assistance Management Manual,"
October 1988

(d) *DoD 5105.65-M, "Foreign Military Sales (FMS) Case Reconciliation
and Closure Manual," (hereby established)*

(e) through (k), see enclosure 1

1. PURPOSE

1.1. Pursuant to the authorities provided in reference (a), this Directive establishes the Defense Security Cooperation Agency (*DSCA*) as an agency of the Department of Defense with the responsibilities, functions, authorities, and relationships prescribed herein and cancels reference (b).

1.2. Authorizes references (c) *and (d) in accordance with DoD 5025.1-M (reference (e))*.

2. APPLICABILITY

This Directive applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities *in* the Department of Defense (hereafter referred to collectively as "the DoD Components").

3. MISSION

The DSCA shall direct, administer, and provide overall policy guidance for the execution of security cooperation and additional DoD programs in accordance with *the Foreign Assistance Act of 1961, as amended and the Arms Export Control Act of 1976, as amended (references (f) and (g))* and this Directive.

4. ORGANIZATION AND MANAGEMENT

4.1. The DSCA is an agency of the Department of Defense under the authority, direction, and control of the Under Secretary of Defense for Policy (USD(P)). The Director, DSCA, shall be appointed by the USD(P) and report to the USD(P) through the Assistant Secretary of Defense for International Security Affairs (ASD(ISA)), who, under the USD(P), shall exercise authority, direction, and control over the DSCA.

4.2. The DSCA shall consist of a Director and such subordinate organizational elements as are established by the Director within resources authorized by the Secretary of Defense.

5. RESPONSIBILITIES AND FUNCTIONS

The Director, Defense Security Cooperation Agency shall:

5.1. Organize, direct, and manage the DSCA and all assigned resources.

5.2. Delegate the administration of security cooperation programs in whole or in part to the Military Departments and Combatant Commands, under the overall guidance of the DSCA.

5.3. Oversee formulation of security cooperation programs in accordance with approved guidance and policies.

5.4. Coordinate the formulation and execution of security cooperation programs with other Governmental Agencies under the guidance of the ASD(ISA).

5.5. Facilitate financial and budgetary resources for the administration of security cooperation programs throughout the Department of Defense.

5.6. Conduct international cooperation and sales negotiations with foreign countries, as directed by the ASD(ISA), and negotiate and conclude related international agreements in accordance with *DoD Directive 5530.3 (reference (h))* and in coordination with the Office of the General Counsel.

5.7. Serve as DoD focal point for liaison with U.S. industry with respect to security cooperation activities.

5.8. Develop and promulgate *references (c) and (d)*.

5.9. Exercise financial management responsibility for the Foreign Military Sales Trust Fund and reporting functions for security cooperation programs.

5.10. Develop and operate the information technology system and maintain the worldwide database for the security cooperation program.

5.11. Oversee the Defense Security Assistance Development Center for the development, maintenance, and enhancement of all information systems to support the security cooperation program.

5.12. Maintain liaison with Congress on security cooperation legislation and related matters and provide support to the ASD(ISA) for the presentation of the annual security cooperation program before the Congress.

5.13. Provide data support for the annual security cooperation budget for inclusion in the President's budget.

5.14. Keep the Chairman of the Joint Chiefs of Staff and the Commanders of the Combatant Commands fully informed of security cooperation matters.

5.15. Formulate policy and provide oversight on DoD participation in international air shows and trade exhibitions.

5.16. Provide functional oversight, staffing, and information technology support for DoD elements in foreign countries responsible for managing security cooperation programs.

5.17. Oversee the Defense Institute of Security Assistance *Management for* the consolidated professional education of personnel involved in security cooperation management.

5.18. Provide support for the DoD overseas humanitarian assistance and demining program.

5.19. Provide support for the DoD and international portions of the Warsaw Initiative Program.

5.20. Oversee the Defense Institute for International Legal Studies for the professional legal education and training of foreign military and civilian leaders.

5.21. Perform such other functions as may be assigned by the USD(P) or the ASD(ISA).

6. RELATIONSHIPS

6.1. In the performance of his functions, the Director, DSCA, shall:

6.1.1. Maintain appropriate liaison with other DoD Components for the exchange of information on programs in the field of assigned responsibilities.

6.1.2. Make use of established facilities and services in the Department of Defense or other Governmental Agencies wherever practicable to achieve maximum efficiency and economy.

6.1.3. Conduct activities involving financial management, fiscal matters, accounting, budgeting, statistical reporting, and the international balance of payments in accordance with policies and procedures established by the USD(Comptroller).

6.2. The Military Departments and other DoD Components shall provide support, within their respective fields of responsibility, to the Director, DSCA, to assist in carrying out assigned responsibilities and functions of DSCA.

6.3. The basic responsibilities and functions of other DoD Components relating to security cooperation remain as assigned in DoD Directive 5132.3 (reference *(i)*).

6.4. The Military Departments will assign military personnel to DSCA in accordance with DoD Directive 2055.3 (reference *(j)*) and with approved authorizations and procedures for assignment to joint duty. The appointment of personnel to the Agency will be subject to the approval of the Director, DSCA, and the ASD(ISA).

6.5. All ASD(ISA) and DSCA Security Cooperation directives and communications to the Combatant Commands, the Military Departments, and the security assistance organizations that have military operational implications, shall be coordinated with the Chairman of the Joint Chiefs of Staff. Conversely, JCS directives and communications to the Combatant Commands or the Secretaries of the Military Departments, that pertain to Security Cooperation affairs, shall be coordinated with the ASD(ISA).

7. AUTHORITIES

The Director, DSCA, is specifically delegated authority to:

7.1. Communicate directly with, all headquarters elements of the Department of Defense and other Executive Departments and Agencies, as necessary.

7.2. Obtain such information, consistent with the policies and criteria of DoD Directive 8910.1 (reference (k)), advice, and assistance from other DoD Components as may be necessary for the performance of assigned functions and responsibilities.

7.3. Exercise the delegations of authority in enclosure 2.

8. EFFECTIVE DATE

This Directive is effective immediately.

A handwritten signature in black ink, appearing to read "Rudy de Leon". The signature is fluid and cursive, with a large initial "R" and "D".

Rudy de Leon
Deputy Secretary of Defense

Enclosures - 2

- E1. References, continued
- E2. Delegations of Authority

E1. ENCLOSURE 1

REFERENCES, continued

- (e) *DoD 5025.1-M, "DoD Directives System Procedures," March 5, 2003*
- (f) The Foreign Assistance Act *of 1961*, as amended (*22 U.S.C. 2151 et seq.*)
- (g) The Arms Export Control Act *of 1976*, as amended (*22 U.S.C. 2751 et seq.*)
- (h) DoD Directive 5530.3, "International Agreements," June 11, 1987
- (i) DoD Directive 5132.3, "Department of Defense Policy and Responsibilities Relating to Security Assistance," March 10, 1981
- (j) DoD Directive 2055.3, "Manning of Security Assistance Organizations and the Selection and Training of Security Assistance Personnel," March 11, 1985
- (k) DoD Directive 8910.1, "Management and Control of Information Requirements," June 11, 1993

E2. ENCLOSURE 2

DELEGATIONS OF AUTHORITY

E2.1.1. Pursuant to the authority delegated to the Under Secretary of Defense for Policy in Department of Defense Directive 5111.1, all statutory functions of making findings, determinations, certifications, and waivers under the Foreign Assistance Act of 1961, including Section 506 (22 U.S.C. 2318), Section 516 (22 U.S.C. 2321(j)), and Section 541 (22 U.S.C. 2347), the Arms Export Control Act, including Section 21 (22 U.S.C. 2761), with the exception of the last sentence of subsection (d) and all of subsection (i), Section 22(a) (22 U.S.C. 2762(a)), Section 23 (22 U.S.C. 2763) to be exercised in consultation with the Secretary of State and the Secretary of the Treasury, except the President shall determine any rate of interest to be charged which is less than the market rate of interest, Section 29 (22 U.S.C. 2769), Section 30 (22 U.S.C. 2770), Section 42(c) (22 U.S.C. 2791(c)) with the concurrence of Secretary of State and Secretary of the Treasury, and Sections 61 (22 U.S.C. 2796) and 62(a) (22 U.S.C. 2796a(a)), and arms export-related provisions of authorization and appropriations acts that grant powers vested directly in the Secretary of Defense or delegated to the Secretary by Executive Order, not otherwise redelegated by the Secretary of Defense, are redelegated to the Director, DSCA, or in the absence of the Director, the Deputy Director, without authorization to further redelegate.

E2.1.2. Pursuant to the authority delegated to the Under Secretary of Defense for Policy in Department of Defense Directive 2140.2, the Director, DSCA, or in the absence of the Director, the Deputy Director, is delegated the authority for granting waivers or reductions of nonrecurring cost (NC) recoupment charges and the authority for approving pro rata NC recoupment charges for major defense equipment. These authorities shall be exercised in coordination with the Under Secretary of Defense for Acquisition, Technology, and Logistics; the Under Secretary of Defense (Comptroller); the DSCA General Counsel; and, as appropriate, the offices within the Office of the Under Secretary of Defense for Policy.

E2.1.3. Pursuant to the authority vested in the Secretary of Defense and subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Policy, and the Assistant Secretary of Defense for International Security Affairs, and in accordance with DoD policies, Directives, and Instructions, the Director, DSCA, or in the absence of the Director, the person acting for the Director, is hereby delegated authority as required in the administration and operation of the DSCA to:

E2.1.3.1. Establish a DSCA Incentive Awards Board and pay cash awards to, and incur necessary expenses for, the honorary recognition of, civilian employees of the Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts or services, benefit or affect the DSCA, in accordance with

5 U.S.C. 4503; Office of Personnel Management (OPM) regulations; and DoD 1400.25-M, "DoD Civilian Personnel Manual (CPM)," Chapter 400, Subchapter 451, "Awards," December 1996, authorized by DoD Directive 1400.25, November 25, 1996.

E2.1.3.2. Maintain an official seal and attest to the authenticity of official records under that seal.

E2.1.3.3. Establish advisory committees and employ temporary or intermittent experts or consultants, as approved by the Secretary of Defense, for the performance of DSCA functions consistent with 10 U.S.C. 173; 5 U.S.C. 3109(b); and DoD Directive 5105.4, "Department of Defense Federal Advisory Committee Management Program," September 5, 1989.

E2.1.3.4. In accordance with Executive Order 10450, "Security Requirements for Government Employment," April 27, 1953; Executive Order 12333, "United States Intelligence Activities," December 4, 1981; and Executive Order 12968, "Access to Classified Information," August 4, 1995; and DoD Directive 5200.2, "DoD Personnel Security Program (DoDSP)," April 9, 1999, as appropriate:

E2.1.3.4.1. Designate any position in the DSCA as a "sensitive" position.

E2.1.3.4.2. Authorize, in case of emergency, the appointment of a person to a sensitive position in the DSCA for a limited period of time and for whom a full field investigation or other appropriate investigation, including the National Agency Check, has not been completed.

E2.1.3.4.3. Initiate personnel security investigations and, if necessary, in the interest of national security, suspend a security clearance for personnel assigned to, detailed to, or employed by the DSCA. Any actions under this paragraph shall be taken in accordance with procedures prescribed in DoD 5200.2-R, "DoD Personnel Security Program," January 1987, authorized by DoD Directive 5200.2, April 9, 1999.

E2.1.3.5. Authorize and approve:

E2.1.3.5.1. Temporary duty travel for military personnel assigned or detailed to the DSCA in accordance with Joint Federal Travel Regulations (JFTR), Volume 1, "Uniformed Service Members," current edition.

E2.1.3.5.2. Travel for DSCA civilian personnel in accordance with Joint Travel Regulations (JTR), Volume 2, "DoD Civilian Personnel," current edition.

E2.1.3.5.3. Invitational travel to non-DoD personnel whose consultative, advisory, or other highly specialized technical services are required in a capacity that is directly related to, or in connection with, DSCA activities, in accordance with JTR, Volume 2, "DoD Civilian Personnel."

E2.1.3.5.4. Overtime work for DSCA civilian personnel in accordance with 5 U.S.C. Chapter 55, Subchapter V, and applicable OPM regulations.

E2.1.3.6. Approve the expenditure of funds available for travel by military personnel assigned or detailed to the DSCA for expenses incident to attendance at meetings of technical, scientific, professional, or other similar organizations in such instances when the approval of the Secretary of Defense, or designee, is required by 37 U.S.C. 412, and 5 U.S.C. 4110 and 4111.

E2.1.3.7. Develop, establish, and maintain an active and continuing Records Management Program, pursuant to 44 U.S.C. 3102 and DoD Directive 5015.2, "DoD Records Management Program," April 11, 1997.

E2.1.3.8. Utilize the Government purchase card for making micropurchases of materials and services, other than personal services, for the DSCA when it is determined more advantageous and consistent with the best interests of the Government.

E2.1.3.9. Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public periodicals, as required for the effective administration and operation of the DSCA, consistent with 44 U.S.C. 3702.

E2.1.3.10. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of common supply and service regulations, instructions, and reference documents, and changes thereto, pursuant to the policies and procedures prescribed in DoD 5025.1-M, "Department of Defense Directives System Procedures," August 1994.

E2.1.3.11. Enter into support and service agreements with the Military Departments, other DoD Components, or other Government Agencies, as required, for the effective performance of DSCA functions and responsibilities.

E2.1.3.12. Enter into and administer contracts, directly or through a Military Department, a DoD contract administration services component, or other Federal Agency, as appropriate, for supplies, equipment, and services required to accomplish the mission of the DSCA. To the extent that any law or Executive order specifically limits the exercise of such authority to persons at the Secretarial level of a Military Department, such authority shall be exercised by the appropriate Under Secretary or Assistant Secretary of Defense.

E2.1.3.13. Establish and maintain appropriate property accounts for the DSCA and appoint Boards of Survey, approve reports of survey, relieve personal liability, and drop accountability for DSCA property contained in the authorized property accounts that has been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, in accordance with applicable laws and regulations.

E2.1.3.14. Promulgate the necessary security regulations for the protection of property and places under the jurisdiction of the Director, DSCA, pursuant to DoD Directive 5200.8, "Security of DoD Installations and Resources," April 25, 1991.

E2.1.3.15. Lease property under the control of the DSCA, under terms that will promote the national defense or that will be in the public interest, pursuant to 10 U.S.C. 2667.

E2.1.4. The Director, DSCA may redelegate these authorities, as appropriate, and in writing, except as otherwise specifically indicated above or as otherwise provided by law or regulation.