



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

JAN 25 2010

**MEMORANDUM FOR THE 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 FOR SECURITY ASSISTANCE, DEFENSE
FINANCE AND ACCOUNTING SERVICE –
INDIANAPOLIS OPERATIONS
DIRECTOR, DEFENSE INFORMATION SYSTEMS
AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE LOGISTICS INFORMATION
SERVICE
DIRECTOR, DEFENSE REUTILIZATION AND
MARKETING SERVICE
DIRECTOR, DEFENSE THREAT REDUCTION
AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-
INTELLIGENCE AGENCY
DEPUTY DIRECTOR FOR INFORMATION
ASSURANCE, NATIONAL SECURITY AGENCY**

SUBJECT: Revise Code “G5” and Rescind Code “G6” for Afghanistan Security Forces Fund (ASFF), DSCA Policy 10-07, [SAMM E-Change 158]

REFERENCES:

- A. Assignment of Code “G5” for Afghanistan Security Forces Fund (ASFF), Two Year Funds, DSCA Policy 09-52, [SAMM E-Change 148]**
- B. Assignment of Code “G6” for Afghanistan Security Forces Fund (ASFF), One Year Funds, DSCA Policy 09-53, [SAMM E-Change 149]**

This memorandum revises reference A that assigned code “G5” to track FY2010 ASFF two year funds. Effectively immediately, the Continuing Resolution Authority cited in reference A (Department of Interior, Environment, and Related Agencies

Appropriations Act, 2010 (P.L. 111-88)) is replaced with the FY2010 National Defense Appropriations Act (P.L. 111-118), which was signed on December 19, 2009.

Reference A guidance stated that all implemented cases should be modified prior to case closure to replace the CRA (P.L. 111-88) with the full year appropriations public law. To maintain program integrity and consistency, policy now requires that all cases in any phase of the LOA process (development, writing, or review) and all implemented cases must be modified immediately to reflect the FY2010 National Defense Appropriations Act (P.L. 111-118). Case preparation and instructions are attached and will be included in the automated version of the SAMM found on the DSCA Web Page as SAMM E-Change 158.

Effective immediately, reference B that assigns code “G6” to track FY2010 ASFF one year funds is rescinded in its entirety. No cases were developed or implemented using the “G6” code. All FY2010 ASFF cases will be tracked using the revised “G5” code.

ASFF is authorized under the National Defense Authorization Act (P.L. 111-84) and fully appropriated under the FY2010 National Defense Appropriations Act (P.L. 111-118). Funds provided under this legislation will remain available until September 30, 2011.

As a matter of policy, all Pseudo LOA documents using the “G5” country code should be expended as well as fully reconciled and closed on or before July 31, 2016.

The Defense Security Cooperation Agency must authorize and will assign use of this code for Pseudo LOA documents. The following information applies:

Organization	FMS Code	Combatant Command 1	Regional Grouping 2	FMS/AECA Eligible 3	Accel. Case Closure Eligible
National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84) and Department of Defense Appropriations Act, 2010 (Public Law 111-118), Afghanistan Security Forces Fund (ASFF)	G5	CE	NR	AECA Only	N/A

For questions concerning funding application of ASFF, please contact Ms. Jean Wilson, DSCA/DBO/CFM, genevieve.wilson@dca.mil, 703-601-3736. For general questions concerning Security Cooperation policy, please contact Mr. Kidd Manville, DSCA-STR/POL, kidd.manville@dca.mil, (703) 604-6594.



Scott Schless
Principal Director
Strategy

Attachment:
As stated

Instructions for Preparing Pseudo Letters of Offer and Acceptance (LOAs)
Afghanistan Security Forces Fund Cases, 2010 (P.L. 111-84/111-118)

Contracts to carry out a Pseudo LOA may not rely on title 10 United States Code (U.S.C.) section 2304 (c) (4), implemented by the Federal Acquisition Regulation (FAR) 6.302-4, International Agreement (directed source), as authority to award using other than full an open competition. Any sole source purchases must be justified and approved in accordance with other statutory authority found in title 10 U.S.C. using procedures applicable to United States Government appropriated-funded purchases.

Instructions for Preparing P.L. 111-84/111-118 Pseudo LOAs
1. Case Identifier. DSCA (Strategy Directorate) will assign a case identifier composed of country code (e.g., “G5” for Afghanistan Security Forces Fund (ASFF), Implementing Agency code of the DoD Component providing the support. Implementing Agencies may request unique designators to meet their requirements as identified in SAMM Figure C5.F5.
2. Nickname Field. The country/organization receiving the support and the Pseudo case authority and the text “(Non-FMS)” (e.g., ASFF, P.L. 111-84/111-118, (Non-FMS)) are identified in the “nickname” field on the Pseudo LOA. Since ASFF has three internal customers, Afghanistan National Army (ANA), Afghanistan National Police (ANP), and Related Activities (RA), ASFF cases should be identified as ASFF/ANA, ASFF/ANP, or ASFF/RA, P.L. 111-84/111-118 (Non-FMS).
3. Purchaser’s Reference Field. Include the following statement below in the Purchaser’s Reference Field of the Customer Request: “Based on funds provided and the request of Program Originator [insert Program Originator’s name (e.g., CSTC-A, Combatant Commands, etc.) and LOR/MOR reference number] to the Defense Security Cooperation Agency, dated [insert date of written request]. National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84) and Department of Defense Appropriations Act, 2010 (Public Law 111-118). See Note [insert LOA note number] for additional information.”
4. Terms of Sale Field. The Term of Sale for ASFF Pseudo LOAs is Cash with Acceptance, Public Law 111-84/111-118.
5. Authority Field. Insert “ASFF, P.L.111-84/118, FY10” (in DSAMS only).
6. Authority Fiscal Year. Insert “FY 2010” (in DSAMS only).
7. Purchaser Signature Field (Customer Signatory Name on Distribution Tab of Case Detail). Insert the authority and the statement that no purchaser signature is required (e.g., P.L. 111-84/111-118 (Non-FMS - No Purchaser Signature Required)).
8. Purchaser Mailing Address. Insert “Department of Defense”.
9. MASL. Use valid existing MASLs for items being transferred or contact DSCA to approve new MASLs, if required.
10. Delivery Term Code. National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84) and Department of Defense Appropriations Act, 2010 (Public Law 111-118), Pseudo LOAs, use the Delivery Term Code (DTC) for Defense Transportation System that will provide shipment all the way into recipient country. This is generally accomplished through DTC 7, unless DTC 9 suffices.
11. Offer Expiration Date. The Offer Expiration Date on the LOA should be no later than the last date the funds are required to ensure they are obligated prior to the funds expiring.
12. Benefitting Country. Afghanistan

LOA Notes for P.L. 111-84/111-118 Pseudo LOAs		
Note Name	Note Usage	Note Text
Authority for Sale – P.L. 111-84/111-118 Programs	Mandatory for all P.L. 111-84/111-118 Pseudo LOAs.	“This sale is made under the authority of P.L. 111-84/111-118 and the Arms Export Control Act (AECA). Any reference in this Letter of Offer and Acceptance to the United States Arms Export Control Act, to defense articles, and to defense services shall be construed instead to be a reference to P.L. 111-84/111-118 and the United States AECA. Any reference in this LOA to “purchaser” shall be construed as a reference to the Department of Defense.”
Case Closure – P.L. 111-84/111-118 Programs	Mandatory for all P.L. 111-84/111-118 Pseudo LOAs.	“This case must be fully reconciled and closed by July 31, 2016.”
Funds, Purpose, Availability and Amount P.L. 111-84/111-118 Programs	Mandatory for all P.L. 111-84/111-118 Pseudo LOAs.	<p>“The funds financing this Pseudo Letter of Offer and Acceptance (LOA) are expiring funds and are subject to all the requirements and restrictions under the heading of P.L. 111-84/111-118. The funds provided carry the same time, purpose, and availability restrictions associated with fund source 21 10/11 2091.</p> <p>a. Failure to obligate the funds during the period of availability ending on September 30, 2011 will render them unavailable for new obligations after that date.</p> <p>b. All funds must be expended on or before July 31, 2016.</p> <p>c. Total funds available for expenditure against this Pseudo LOA are limited to the value of [insert dollar value].</p> <p>d. Amendments or Modifications to this Pseudo LOA are only authorized with DSCA written approval.”</p>

<p>Nonrecurring Costs – USG Appropriation</p>	<p>Mandatory for LOAs when an NC charge has been established, but the case is financed by a USG appropriation.</p> <p>Mandatory for Amendments or Modifications when the case is financed by a USG appropriation and (1) lines items are added and the NC charge applies to the new lines; or (2) quantities are increased on line items for which NC charges have been established. See Chapter 9, C9.4.5.</p>	<p>“Nonrecurring Costs (NC) have been established for line item(s) [insert line item numbers] of this case. These charges are not included on this case because the case is financed with a USG appropriation.”</p>
<p>Title and Custody Transfer - P.L. 111-84/111-118 Programs</p>	<p>Mandatory for all P.L. 111-84/111-118 Pseudo LOAs.</p>	<p>“The U.S. Government will retain title to and custody of the defense articles to be transferred under the authority of P.L. 111-84/111-118 until delivery to the recipient country. A designated U.S. Government representative will confirm and document delivery of the P.L. 111-84/111-118 program materiel to an authorized recipient country representative or agent. This U.S. Government representative will keep documentation showing when, where, and to whom delivery was made and will provide a copy of this documentation to the [insert U.S Army Security Assistance Command, U.S. Army Corps of Engineers, Navy International Programs Office, Deputy Under Secretary of the Air Force/ International Affairs, or Air Force Center for Engineering and the Environment].”</p>