



DEFENSE SECURITY COOPERATION AGENCY
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MAY 03 2011

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 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: Quarterly Unliquidated Obligations Refunds, DSCA Policy 11-24

In early 2010, the Defense Security Cooperation Agency (DSCA) concluded a Lean Six Sigma project regarding case closure-related data. The project showed the return of funds to customers could be accelerated if Unliquidated Obligation (ULO) refunds were processed quarterly vice annually. DSCA implemented this change one year ago and it has been very successful.

To execute quarterly refunds associated with Accelerated Case Closure Procedures, funds needed to cover any ULO amount are retained in the Case Closure Suspense Account (CCSA) until the case is closed. Once the cases reach final closure, any excess funds for cases in the CCSA are refunded to the customer via a deposit into the appropriate holding account. The holding account statements will be provided as an enclosure to the Quarterly DD 645 Billing Statements; this replaces the annual ULO refund letters which were previously provided.

This procedure remains in effect until further notice and will be included in the revision of the Department of Defense Manual 5105.65-M, "FMS Reconciliation and Closure Manual". If you need further assistance, please contact, Ms. Michele Kennedy, DSCA DBO/FPIO, michele.kennedy@dscamail, (703) 604-6578.



William E. Landay III
Vice Admiral, USN
Director

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