



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

FEB 18 2009

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Assignment of Code "E7" for Fiscal Year (FY) 2008 Authorities Relating to the Coalition Readiness Support Program (CRSP), DSCA Policy 09-02 [SAMM E-Change 126]

The Coalition Readiness Support Program (CRSP), a subset of Coalition Support Funds, is authorized to provide specialized training, or loan of supplies and equipment on a non-reimbursable basis to coalition forces supporting U.S. military operations in Iraq and Afghanistan. The U.S. Government will retain title to the equipment and transfer custody to coalition forces as necessary.

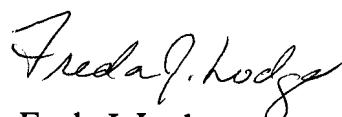
Effective immediately, Security Assistance Management Manual (SAMM), Table C4.T2., Country, International Organization and Regional Codes, and FMS Eligibility, is updated to add code "E7" to track funds provided for CRSP, authorized by the Supplemental Appropriations Act (War Supplemental), P.L 110-252, 122 Stat. 2398, FY2008. The Defense Security Cooperation Agency must authorize 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	Term of Sale - Dependable Undertaking Authorized	Accel. Case Closure Eligible
Supplemental Appropriations Act for Fiscal Year 2008 (P.L. 110-252, 122 Stat. 2398) for Coalition Readiness Support Program (CRSP) cases	E7	NR	NR	No	No	N/A

This change will be included in the automated version of the SAMM found on the DSCA web page as SAMM E-Change 126.

Attached are specific LOA notes and instructions for CRSP Pseudo LOAs funded with appropriations available to the Department of Defense that will remain available until expended.

If you have any questions concerning the attached guidance for preparing CRSP Pseudo LOAs, please contact Mr. Kidd Manville, STR/POL, kidd.manville@dsc.mil, (703) 604-6594. The overall point of contact for CRSP is CAPT Paul Verrastro, OPS/EAF, paul.verrastro@dsc.mil, (703) 601-3674.



Freda J. Lodge
Principal Director
Strategy

Attachment:
As stated

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**Instructions for Preparing Pseudo Letters of Offer and Acceptance (LOAs)
Coalition Readiness Support Program (CRSP) cases (P.L. 110-252, 122 Stat. 2328),
FY 2008**

If using other than full and open competition, since these Pseudo LOA documents are not signed by the FMS purchaser and do not involve an agreement with the foreign government, the authority of 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), cannot be used to justify sole source requirements. 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 CRSP (P.L. 110-252, 122 Stat. 2328) Pseudo LOAs
1. Case Identifier. DSCA (Strategy Directorate) will assign a case identifier composed of country code (e.g., "E7" for CRSP cases), 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 Pseudo case authority and the text "(Non-FMS)" (e.g., CRSP, P.L. 110-252, (Non-FMS)) are identified in the "nickname" field on the Pseudo LOA.
3. Purchaser's Reference Field. Include the following statement below in the Purchaser's Reference Field of the Customer Request: <p style="margin-left: 40px;">"Based on the written request pursuant to P.L. 110-252, 122 Stat. 2328 from [insert Program Originator's name (e.g., Department of State, Combatant Commands, etc.)] to Defense Security Cooperation Agency, dated [insert date of written request]. The legal authority is P.L. 110-252, 122 Stat. 2328. See Note [insert LOA note number for Authority for Sale note] for additional information."</p>
4. Terms of Sale Field. The Term of Sale for CRSP Pseudo LOAs is Cash with Acceptance, Public Law 110-252, 122 Stat 2328.
5. Authority Field. Insert "CRSP, P.L. 110-252" (in DSAMS only).
6. Authority Fiscal Year. Insert "FY 2008" (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., CRSP, P.L. 110-252, 122 Stat. 2328 (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. For CRSP 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. Benefitting country "E7" for supplies and equipment; actual country code for training.

LOA Notes for Coalition Readiness Support Program (CRSP) P.L. 110-252, 122 Stat 2328 Pseudo LOAs		
Note Name	Note Usage	Note Text
Authority for Sale – P.L. 110-252, 122 Stat. 2328 for CRSP	Mandatory for all CRSP cases under P.L. 110-252, 122 Stat. 2328 Pseudo LOAs.	“This sale is made under the authority Coalition Support Funds of P.L. 110-252, 122 Stat. 2328. 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 Coalition Support Funds P.L. 110-252, 122 Stat. 2328 and to the United States Arms Export Control Act. Any reference in this LOA to “purchaser” shall be construed as a reference to the Department of Defense.”
Funds, Purpose, Availability and Amount – P.L. 110-252, 122 Stat. 2328 for CRSP	Mandatory for all CRSP cases under P.L. 110-252, 122 Stat. 2328 Pseudo LOAs.	<p>“The funds financing this Pseudo Letter of Offer and Acceptance (LOA) remain available until expended and are subject to all the requirements and restrictions under the heading of Coalition Support Funds, P.L. 110-252, 122 Stat. 2328. The funds are in support of authority to provide specialized training and procuring supplies and equipment for loan on a non-reimbursable basis to coalition forces supporting U.S. military operations in Iraq and Afghanistan. The funds carry the same time, purpose, and availability restrictions associated with fund source X 0100 2008, DoD Operations and Maintenance (O&M) or other funds that may be available for use starting in FY 2008.</p> <p>a. Funds remain available until expended.</p> <p>b. Total funds available for expenditure against this Pseudo LOA are limited to the value of [insert dollar value].</p> <p>c. Amendments or Modifications to this Pseudo LOA are only authorized with DSCA written approval.”</p>
Title and Custody Transfer – P.L. 110-252, 122 Stat. 2328 for CRSP	Mandatory for all CRSP cases under P.L. 110-252, 122 Stat. 2328 Pseudo LOAs.	“The U.S. Government will retain title to the defense articles indefinitely and will transfer custody of the defense articles to be coalition forces supporting U.S. military operations in Iraq and Afghanistan under the authority of P.L. 110-252, 122 Stat. 2328. The defense articles will be loaned on a non-reimbursable basis. A designated U.S. Government representative will confirm and document delivery of the 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, Navy International Programs Office, or Deputy Under Secretary of the Air Force/ International Affairs].”
Case Closure – P.L. 110-252, 122 Stat. 2328 for CRSP	Mandatory for all CRSP cases under P.L. 110-252, 122 Stat. 2328 Pseudo LOAs.	“The estimated closure date is 36 months after projected final delivery or completion of the underlying contract(s), as applicable, whichever is later.”

<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) line items are added and the NC charge has been established for the new line items; 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>
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