

C5. CHAPTER 5

REPORTS

C5.1. CHAPTER OVERVIEW

Reports are used to track the logistical and financial status of FMS cases. Reports represent the official presentation of transactions compiled and distributed throughout the FMS community. These reports give information on cost, schedule, and performance of FMS cases. Reports are generated periodically to ensure that the FMS community adheres to the reconciliation and closure requirements. Analysis of the reports generated helps to ensure the effective stewardship of purchaser funds. Many other benefits are gained because of periodic and accurate reports.

C5.2. ORGANIZATIONAL ROLES AND RESPONSIBILITIES

The following serves as a general categorization of reporting functions by organization:

C5.2.1. The IA shall:

C5.2.1.1. Prepare the quarterly DSCA(Q)1238 “FMS Case Closure Status Report.”

C5.2.1.2. Prepare the quarterly DSCA Performance Report, to address performance on a number of metrics.

C5.2.1.3. Report on cases analyzed for transitioning from interim (‘C2’) to final (‘C3’) closure types.

C5.2.1.4. Review, analyze, and act based on reports.

C5.2.2. The DSCA shall:

C5.2.2.1. Publish and update policies on reports.

C5.2.2.2. Publish consolidated case closure statistical reports.

C5.2.2.3. Publish and update the EACC schedule and force closure inventory.

C5.2.2.4. Generate and distribute the PSVR.

C5.2.3. DFAS Denver shall:

C5.2.3.1. Give input to the IAs for the quarterly DSCA(Q)1238 “FMS Case Closure Status Report.”

C5.2.3.2. Report closure statistics.

C5.2.3.3. Generate and distribute all accounting reports, as prescribed in Volume 15 of reference (b) and in reference (c).

C5.2.3.4. Maintain the CCSA.

C5.2.3.5. Provide CCSA Statements.

C5.2.4. The DCMA shall list contracts closed each month via reference (n) (website www.dcms.mil/onebook/9.0/9.9/closeout.htm).

C5.3. FMS CASE RECONCILIATION REPORTING

C5.3.1. PSVR. A quarterly report that identifies cases for which a potential issue may exist related to the continued accuracy of payment schedules for those cases. The PSVR is a tool for ensuring timely resolution of case financial issues.

C5.3.1.1. PSVR Sections.

C5.3.1.1.1. All open FMS cases.

C5.3.1.1.2. Filtered Version. The filtered version is the actionable version. It is generated and distributed by DSCA/FPS. The IAs use this report to issue workflow tasks in DSAMS that bring these variances to the attention of CMs for their analysis and, as appropriate, for revision to the corresponding payment schedules via a Modification or Amendment (if a change in scope adjustment is being done concurrently). Figures C5.F1. and C5.F2. show a sample report and lexicon defining each of the report's columnar headings. The filtered version identifies only cases where:

C5.3.1.1.2.1. The case is a Major Case (see Appendix 1 and chapter 2),

C5.3.1.1.2.2. TA code is not equal to '3' (i.e., Cash with Acceptance) or 'U' (Foreign Military Sales Order (FMSO) I) or 'N' (FMS Credit (non-repayable) for cases under \$5 million in value),

C5.3.1.1.2.3. The case payment schedule is not based solely on requisition activity (i.e., a 'BK' transaction or 'K' card from the IA system to DIFS),

C5.3.1.1.2.4. Expenditures do not exceed 80 percent of the total LOA value,
and

C5.3.1.1.2.5. The variance between the payment schedule and FRs exceed 25 percent on the average for the past 3 quarters.

Figure C5.F1. PSVR Sample Report

SBA	FMF	CCIACASE	CC	IA	CASE	ICS	PREPARING ACTIVITY ID	DT-IMPL	CASE TYPE IND	T/A	ORD (0212BP)	ACT FR PLUS 1 QTR (0212BP)	OTHER POTENTIAL ACCL AMT (0212BP)	TOTAL FR (0212BP)
N	N	BDQAAA	BD	Q	AAA	B	AFSAC	97351	B	4	784,088	753,233	30,855	784,088
N	N	BDQAAB	BD	Q	AAB	D	AMCOM	99015	B	4	36,800	36,794	5	36,800
N	N	BDQAAC	BD	Q	AAC	P	NAVICPD	01008	B	4	520,188	493,478	26,710	520,188
N	N	BDQAAD	BD	Q	AAD	T	SPAWAR	01177	B	4	98,024	83,672	14,352	98,024

Columnar headings continued, below:

ACRD COST (0306BP)	DLVR (0306BP)	DISB (0306)	CLCT (0303BP)	% COMP (0306BP)	JUN 03 AC TO DEC 02 FR	JUN 03 DISB TO DEC 02 FR	JUN 02 VAR	SEP 02 VAR	DEC 02 VAR	AVG VAR
753,233	752,776	677,730	784,088	96.1%	3.9%	13.6%	13.6%	13.6%	13.6%	13.6%
36,794	36,794	36,440	36,800	100.0%	0.0%	1.0%	1.0%	1.0%	1.0%	1.0%
526,530	520,187	520,188	520,188	50.6%	-1.2%	0.0%	9.5%	0.0%	0.0%	3.2%
84,526	84,406	84,516	98,024	86.2%	13.8%	13.8%	14.6%	14.6%	13.8%	14.4%

Figure C5.F2. PSVR Lexicon

LEXICON FOR PSVR

The overall premise in using the following dates and data for payment schedule variances is that the FRs, per the payment schedule, are billed on the DD Form 645A (DD645A) for expected customer payment within 90 days after the quarterly DD645A bill position (BP), to cover expenditures occurring 180 days after the DD645A BP. For example, for FRs on the JUN XX DD645A, the payment is expected by SEPTEMBER 15, XX to cover expenditures through DECEMBER 31, XX. Comparing the FRs on the Jun XX DD645A to the Accrued Costs and Disbursements at DECEMBER 31, XX provides a measure as to the accuracy of the FRs (payment schedule) on individual cases. The report is comprised of two sections: first, all open FMS cases and second, a filtered version. The filtered version identifies only Major Cases (a DO case \$25 million or greater, a Blanket Order(BO) and/or CLSSA case \$10 million or greater, and/or 15 percent or more of a country's total FMS program); cases of \$5 million or greater where the TA code is not equal to '3' (Cash with Acceptance), 'U' (FMSO I), or 'N' (Non-Repayable FMS Credit); cases for which payment schedules are not driven by requisition activity, i.e., 'BK' transaction or 'K' card cases in DIFS; cases where expenditures do not exceed 80 percent of the total LOA value; and cases where the variance between the payment schedule and Accrued Costs and/or Disbursements exceed an average of 25 percent for the past 3 quarters. The filtered version is the actionable version. Both reports are generated and distributed by DSCA/FPS. In "data fields" below, the YY is the Year and MM or MMM is the Month. The YYMM format denotes the year and month (or month and year) format of the corresponding report column.

<u>DATA FIELD</u>	<u>DEFINITION AND/OR DATA OPTIONS</u>
SBA	Special Bill Arrangement Indicator. Y = Yes; Blank = No
FMF	Foreign Military Financing. Y = Yes; N = No
CC	Merged CC, IA, and case. This column may be used to readily find a specific Country-IA-Case combination.
CC	Country Code (Excludes 2A, 2B, 2C, 2D, 3W, 39, 67,W1, IR, 8A, 8B, and 8C)
IA	U.S. Implementing Agency (excludes X and DFAS-ADY/DE)
CASE	Case Designator
ICS	In-Country Service Code
PREPARING ACTIVITY ID	Preparing Activity Indicator. This is the preparing activity indicator residing in DSAMS.
DT IMPL	The Julian Calendar date on which the case was implemented in DIFS
CASE TYPE IND	Case Type Indicator. B equals BO or CLSSA (SOS in DIFS is "S"); D equals DO (SOS in DIFS is "P")

T/A	Type of Assistance Codes: 3 = Cash with Acceptance 4 = Dependable Undertaking, source undecided 5 = Cash Sale from Procurement 6 = Payment on Delivery 7 = Dependable Undertaking with 120 Day Payment 8 = Sale from stock with 120 Day Payment M = MAP N = FMS Credit (Nonrepayable) U = FMSO 1 V = FMSO 2 Z = FMS Credit (Repayable) or Mixed Financed Case
ORD (YYMM BP)	Totaled Ordered Value of LOA, including last Amendment and/or Modification as of DD Form 645A BP (e.g., March, June, September, or December)
ACT FR PLUS 1 QTR (YYMM BP)	Actual FR Plus 1 Quarter. DD Form 645A FRs (e.g., March, June, September, or December) less DIFS Termination Liability (T/L) or Unearned Advance (UEA) plus payment schedule amount due for next billing cycle. If SOS is "S," value equals UEA. If SOS is "P," value equals T/L. December (XX12) report forecasts requirements through following June; March (XX03) report through September; June (XX06) report through December; and September (XX09) report through March.
OTHER POTENTIAL ACCL AMT (YYMM BP)	Other Potential Acceleration Amount. Denotes shortfall, if any, computed from DIFS (T/L or UEA). Represents another potential indicator of an accelerated payment schedule. The amount equals the difference between accrued costs and the next quarter's payment schedule amount (Column 11 of the DD Form 645A), and the total FRs as stated in Column 12 of the DD Form 645A.
TOTAL FR (YYMM BP)	The total FRs, per the LOA payment schedule, at the time of BP.
ACRD COST (YYMM BP)	Accrued Costs. Accrued Costs are the sum of Total Deliveries, Progress Payments Disbursed Undelivered, Contractor Holdback, and Progress Payment Admin Fee. This value correlates to the date of requirements. For example, the March report is for the requirements of July – September, the June report for October - December, the September report for January - March, and the December report for April - June.
DLVR (YYMM BP)	Total Deliveries. The sum of Articles and/or Services, Administrative Surcharge, and Accessorials (transportation, PC&H, etc.) delivered costs. This value correlates to the date of requirements.

DISB (YYMM)	<p>Total Disbursements. The sum of Articles and/or Services, Administrative Surcharge, and Accessorials disbursements reported to the U.S. Treasury as of an accounting month. For example, December equals 0112, March equals 0203, June equals 0206, and September equals 0209. This value correlates to the date of requirements. For example, the March report is cumulative disbursements as of September 30, the June report is cumulative disbursements as of December 31, the September report is cumulative disbursements as of March 31, and the December report is cumulative disbursements as of June 30.</p>
CLCT (YYMM BP)	<p>Total Collections. All collections (MAP, Credit, Cash, and FRB) on a case. This value relates to the DD Form 645A payment due date. The March DD Form 645A is due June 15 and collections equal June 30. The June DD Form 645A is due September 15 and collections equal September 30. The September DD Form 645A is due December 15 and collections equal December 31. The December DD Form 645A is due March 15 and collections equal March 31.</p>
% COMP (YYMM BP)	<p>Percent the case is complete as of the last date the DD Form 645A was prepared. This is the Accrued Cost relative to the Ordered Cost.</p>
MMM YY AC to MMM YY FR	<p>For the month indicated, Accrued Costs relative to Total FRs. For example, June 01 DD Form 645A FRs less December 01 Accrued Costs relative to June 01 DD Form 645A FRs.</p>
MMM YY DISB TO MMM YY FR	<p>For the month indicated, Disbursements relative to Total FRs. For example, June XX DD Form 645A FRs less December XX Disbursements relative to June XX DD Form 645A FRs.</p>
MMM YY VAR	<p>For three consecutive billing periods, this is the variance when comparing the FR, to both Accrued Costs and Disbursements. The variance for the period shown is the higher variance of Accrued Costs relative to Total FRs or Disbursements relative to Total FRs. A POSITIVE variance (the FRs are higher than Accrued Costs or Disbursements) may show that the payment schedules are accelerated and may cause the FMS purchaser to deposit funds into his or her Trust Fund ahead of requirements. A NEGATIVE variance (the FRs are lower than Accrued Costs or Disbursements) may indicate that Payment Schedules are lagging behind case execution and the IA expenditures may not be covered by FMS purchaser deposits for that specific FMS case.</p>
MMM YY VAR	
MMM YY VAR	
AVG VAR	<p>Average Variance. Average variance of the previous quarters. For example, DECEMBER, MARCH, and JUNE variances relative to three.</p>

C5.3.1.2. PSVR Report Generation and Initial Distribution.

C5.3.1.2.1. DSCA/FPS generates and distributes the PSVR.

C5.3.1.2.2. The quarterly PSVR shall be generated within 45 days after the end-of-quarter (i.e., February 15, May 15, August 15, and November 15). The PSVR shall be sent via e-mail to the POCs listed in Table C5.T1, below.

Table C5.T1. PSVR POCs

ORGANIZATION	OFFICE SYMBOL
Army	HQ DA (DASA/DE&C)
Navy	Navy IPO (02CF)
Air Force	SAF/IAPX
DLA	J-347
National Geospatial-Intelligence Agency	NPAA
DISA	INA
NSA	FMS SELPO
DCMA	IFBT
DISAM	DM
DFAS Denver	DFAS-ADYK/DE
DSCA	Individual CFDs (“actionable” version only)
Foreign Purchasers	Reports sent based on individual purchaser request

C5.3.1.3. PSVR Report Initial Review.

C5.3.1.3.1. Within 5 business days of receipt, the IA POCs noted in Table C5.T1., above, shall conduct their initial review of this report. This review focuses on the “actionable” version and entails a cursory analysis of the cases listed. Future reviews of this version also involve reconciling the current report with past reports and their corresponding status. For example, a case that appears on both the current and past report, but for which the CM is already processing a Modification to show a revised payment schedule, may not require further tasking (other than checking the status of that Modification). By the fifth business day after receipt, the initial IA contacts shall electronically issue both versions of the report. This shall be done either concurrent with or immediately following the contact’s entry of the appropriate tasking through DSAMS. Table C5.T2., below, shows the process for beginning workflow tasks.

Table C5.T2. PSVR Workflow Tasks

1.	Go into DSAMS, select Workflow, and select Assign Task. (The task assignment menu appears.)
2.	For Task: Select Payment Schedule (PMTSCHED) DSAMS Milestone label.
3.	For SA Program: Select FMS.
4.	For Document Type: Select C.
5.	Enter the case identifier.
6.	For Version: Select latest implemented version (e.g., B, A2, M4). Note: do NOT use 'I' (current implemented) version.
7.	Enter the date assigned.
8.	DSAMS automatically generates a due date of 60 days after the date is assigned per item 7., above. If a shorter suspense date is required, the user may change the due date. The DSAMS-generated due date shall be overridden with extreme caution.
9.	Enter the assigned activity. Consistency with the DSAMS naming convention and corresponding organization shown on the PSVR for that case is strongly urged.
10.	Under Task and/or Instructions, enter a Task started by this case that appears on the PSVR dated XXXXX, which meets the criteria requiring analysis of this case to ensure accurate payment schedule information. By the DSAMS-generated due date for completing the payment schedule review, either begin to issue a Modification for the revised payment schedule, or justify via the DSAMS task process why no revision is being recommended at this date.
11.	Select ASSIGN.

C5.3.1.3.2. Distribution of the “Actionable” Version. The receiving organizations that manage cases on that version shall be given:

C5.3.1.3.2.1. Confirmation that tasks were issued in DSAMS (per the process noted above in Table C5.T2.).

C5.3.1.3.2.2. Confirmation of the due date relating to those tasks; the date shall be the same for all cases prompting DSAMS tasks.

C5.3.1.3.2.3. Confirmation of the IA contact checking the progress of these tasks.

C5.3.1.3.2.4. Confirmation as to which cases on the “actionable” version did not result in tasks issued by the IA contact.

C5.3.1.3.2.5. Confirmation of the IA contact who may be consulted if any questions arise.

C5.3.1.3.2.6. Comments the IA contact may have on specific cases.

C5.3.1.4. PSVR Detailed Review. On receipt of the PSVR e-mail from the initial IA contacts, the CMs shall review both versions and, for cases on the “actionable” listing, validate the tasks entered into DSAMS. Although the version with all implemented cases does not require action, CMs are urged to review it to decide if undesirable variances related to the payment schedule are evident. For example, while a case may not yet meet the threshold for the “actionable” version, a case may be well on its way and pre-emptive measures by the CM may prevent future tasks. For the “actionable” version tasks, the CMs shall, at a minimum:

C5.3.1.4.1. Validate the data shown on the report. All data on the PSVR is generated from DIFS, except for the Performance Activity Indicator (DSAMS fed). The validation aspect speaks to reconciling the DIFS data with legacy system data.)

C5.3.1.4.2. Review the remaining milestones on the case.

C5.3.1.4.3. Revisit earlier projections on the forecasted expenditures.

C5.3.1.4.4. Compare those earlier projections with actual activity incurred to date, as stated on the PSVR.

C5.3.1.4.5. Verify projected activity associated with the remaining milestones on the case.

C5.3.1.4.6. If FRs exceed accrued costs, send a written notice to the purchaser giving a 14 calendar day timeframe for the purchaser to object to revising the payment schedule. If no objection is received within 14 calendar days, the CMs shall revise the payment schedule. If accrued costs exceed FRs, no written notice must be sent to the purchaser before the LOA Modification.

C5.3.1.4.7. Issue an LOA Modification if the actions outlined above confirm that the payment schedule noticeably departed from the actual (to date) and revised (remaining) projected expenditure plan. The “reference” field on the LOA Modification shall state: “This Modification is issued because of the payment schedule review completed on (enter date).”

C5.3.1.4.8. Document, as a reply to the DSAMS task, that a Modification was generated (including Modification number) or a detailed explanation was written as to why no payment schedule revision was warranted. The IA contact receiving the explanation reserves the right to query the CM if the rationale is insufficient and/or not otherwise endorsed. It is important to note that the CM may only recommend that a payment schedule not be revised. In the event of dispute, the CM may be required to revise the payment schedule even if his or her original assessment did not support that action. Final approval rests with the IA contact or the DSCA/CFM CFD, not with the CM.

C5.3.1.4.9. Begin the requisite LOA Modification or Amendment if payment schedule revisions are found to be necessary because of the PMTSCHD tasking. No separate DSAMS task is required.

C5.3.1.5. Checking PSVR Report. Checking the status of the PSVR is critical, both to ensure that the requisite actions to modify the payment schedules are conducted, and to act to help improve the payment schedule process overall. The Security Cooperation Deputies’ Forum (SCDF) receives quarterly reports on the percentage of PSVR tasks completed within the 60 day timeframe. The following personnel are responsible for checking the PSVR and shall:

C5.3.1.5.1. DSCA/FPS. Establish the payment schedule policies; refine the PSVR, as warranted; revise this Manual, as necessary; and support CFDs, as requested.

C5.3.1.5.2. DSCA/CFM (CFDs). Review PSVR, verify DSAMS tasks for “actionable” version cases in the area of responsibility, track revisions to payment schedules as the corresponding Modifications are sent electronically to DSCA for review and approval, follow-up with IA country managers on delinquent payment schedule resolution issues, and conduct analyses to find trends or bottlenecks associated with a specific country and/or USG organization.

C5.3.1.5.3. IA Primary Contacts. Issue initial DSAMS tasks; check periodically to ensure timely resolution; answer queries from CMs; serve as final IA-level decision authority on resolving issues; and forward issues needing decision to DSCA/CFM (CFD for country issues and FPS for process and/or policy issues), as judged appropriate.

C5.3.2. FMS Reviews.

C5.3.2.1. Format. Establishing “boilerplate” reporting formats for each FMS review type is an effective tool for eliminating inconsistencies and/or redundancies. Using standard formats also helps familiarize the purchaser with DoD usage of data element terms, and avoids confusion that often results from presenting different formats in the same review. While

standardized formats are preferred, flexibility should be maintained to allow for supplemental changes and other deviations from the normal reporting structure.

C5.3.2.2. Definition of Terms. Consistent definitions for each data element are essential. Conflicting or unclear definitions are confusing and frustrating to those receiving reports in an FMS review when various reporting components use the same term (e.g., “obligations”) in different ways. A lexicon that defines all terms is highly encouraged for all reviews and shall be distributed to all attendees. As an example, Table C5.T3., below, shows the DSCA FMR standardized reporting format and accompanying definitions for each data field. The definitions themselves, however, do not appear on the actual report given to the purchaser.

Table C5.T3. DSCA FMR Reporting Format		
Data as of: (unless specified otherwise)		
<u>ITEM</u>	<u>DATA AND/OR VALUE</u>	<u>SOURCE(S) AND/OR DEFINITION</u>
<u>CASE SUMMARY</u>		
Case Designator	XX-X-XXX format	IA System and/or LOA documents
Case Description	Narrative field	IA System and/or LOA documents
Year Basic LOA Signed	Calendar year (YYYY)	IA System and/or LOA documents
Total Number of Lines	Numeric field	IA System and/or LOA documents
Case Management Organization and/or Office	e.g., NAVAIR 1.4	IA documents
<u>SUPPLY SUMMARY</u>		
Total Delivered Value	Dollar value only	IA System and/or LOA documents; do NOT use DIFS for the Articles and/or Services value as its delivered value shows shipments already billed. Total Delivered Value equals Articles and/or Services deliveries plus delivered administrative surcharge and delivered accessories.
Total Number of Open Requisitions	Numeric field	IA System. Note: For those systems that do not or are unable to track open requisitions, supply a definition for the data being given in this field (e.g., PDLIs outstanding).
Total Open Requisition Value	Dollar value only	IA System; Articles and/or Services value only
NOTE: OPEN REQUISITION LISTING BELOW IS OPTIONAL, BASED ON INDIVIDUAL FMR		

		<u>IA System</u>
<u>Item</u>	<u>Requisition Value</u>	<u>Estimated Delivery Date</u>
(List data for each open requisition on a separate line)	Dollar value only	
Estimated and/or Actual Case SSC Date	MM/YY format	IA CM. Enter in MM/YY format. "TBD" (for dates to be decided) is acceptable for BO cases
<u>SDR SUMMARY</u>		
Total Number of Open SDRs	Numeric field	IA System
Total Open SDR Value	Dollar value only	IA System
<u>CLOSURE SUMMARY</u>		
Estimated Case Closure Date	MM/YY format	IA CM, in coordination with the primary closure POC. Enter in MM/YY format. Entering "24 months after SSC" is acceptable for ACCP cases if "TBD" is displayed in "Estimated SSC" field above.
<u>CASE FINANCIAL SUMMARY</u>		
(1) Total LOA Value	Dollar value only	IA System and/or LOA documents
(2) Total Net LOA Value	Dollar value only	IA System and/or LOA documents

		IA System and/or LOA documents. HRF equals all financial commitments billed to date PLUS all financial commitments not yet billed (e.g., contracts awarded but not delivered). Restated, HFR is the total value of all PROGRAMMED requirements. HFR must include below-the-line surcharges.
(3) Highest Financial Requirement (HFR)	Dollar value only	
(4) Total Collected (current)	Dollar value only	DSCA/FPS report via e-mail
(5) Excess LOA Value Un-programmed to Date [(1) - (3)]		Formula driven; do not override with manual data entry.
(6) Collections in Excess of Case Value [(4) - (1)]		Formula driven; do not override with manual data entry.
(7) Collections in Excess of HFR [(4) - (3)]		Formula driven; do not override with manual data entry.
NOTE: SECTIONS 8 AND 9 BELOW ARE OPTIONAL, BASED ON INDIVIDUAL FMR		
Item 8A, below, may be a stand-alone optional item.		
(8) Forecasted Activity (NOTE: Applies chiefly to cases not yet SSC.)		
(8A) Disbursements through July 31, 2000	Dollar value only	DSCA/FPS report via e-mail
(8B) Projected Expenditures:	Dollar value only	IA CM
(8B1) August - September 2000		
(8B2) October - December 2000		
Subtotal, August - December 2000	0.00	Formula driven; do not override with manual data entry.
(8B3) January - March 2001		
(8B4) April - June 2001		
(8B5) July - September 2001		
(8B6) October - December 2001		
Subtotal, January - December 2001	0.00	Formula driven; do not override with manual data entry.

(8B7) January - March 2002		
(8B8) April - June 2002		
(8B9) July - September 2002		
(8B10) October - December 2002		
Subtotal, January - December 2002	0.00	Formula driven; do not override with manual data entry.
(8C) Total Projected Expenditures through December 31, 2002		Formula driven; do not override with manual data entry.
(9) Terms of Financing:		Latest LOA document (Basic, Amendment, or Modification)
FMS Credit:	Dollar value only	
FMS Credit (non-repayable):	Dollar value only	
MAP Merger:	Dollar value only	
Nonproliferation, Anti-Terrorism, Demining and Related Programs:	Dollar value only	
Enhanced International Peacekeeping Capabilities:	Dollar value only	
Cash (National Funds):	Dollar value only	
Other (Specify):	Dollar value only	
<u>REMARKS AND/OR COMMENTS</u>		IA CM, CPM, and/or CCM; Cell (A78) is a wrap text field
Narrative field		

C5.4. FMS CASE CLOSURE REPORTING

C5.4.1. FMS Community FY Goals and Objectives. To ensure that closure stays an utmost priority and that appropriate resources are allocated, the IAs shall establish their goals and objectives by analyzing:

C5.4.1.1. Open total case inventory.

C5.4.1.2. Open SSC case inventory.

C5.4.1.3. Number of cases that became SSC during the past year.

C5.4.1.4. Number of ACCP cases already greater than 2 years SSC.

C5.4.1.5. Number of ACCP cases otherwise becoming over 2 years SSC.

C5.4.1.6. Available resources.

C5.4.1.7. Trend analysis.

C5.4.2. DSCA(Q)1238 “FMS Case Closure Status Report”. The DSCA(Q)1238 report tracks closure objectives, actual closure progress during each quarter of a given FY, resource allocations to the closure function, and inventories of ACCP cases over 2 years SSC that the FMS purchaser wants kept open. This report is due to DSCA/OPS-ADMIN by the end of the month following each quarter (e.g., due April 30th for the quarter ending March 31st). It is important to remember that the MILDEPs prepare the cases for closure. However, DFAS Denver actually closes the cases. Accordingly, the MILDEPs are only accountable for actions within their control. Figure C5.F3., below, is the template for the DSCA(Q)1238 report.

Figure C5.F3. FMS Case Closure Status
DSCA(Q)1238 REPORT

Organization: _____ For the Quarter Ending: _____

PART 1: Case Closure Progress Status: (Note 1)

A. Number of all open cases (Note 2): _____

B. Number of all SSC cases: _____

Percent of open cases that are SSC (B / A) _____%

C. Number of all cases over 2 years SSC: _____

D. Number of ACCP-only cases over 2 years SSC: _____

Percent of ACCP-only SSC cases to all SSC cases (D / B) _____%

E. Number of cases over 2 years SSC kept open per FMS purchaser request (see attached inventory) _____

F. Number of cases in the DFAS-ADY/DE closure inventory (data source: DFAS Denver)

(1) Quarterly Total: _____

(2) Cases in L (under-collected) Status: _____

(3) Cases in B, K, O, and/or S Status: _____

(4) Net Total Charged to DFAS Denver: _____

Computation: [(F1) – (F2) -- (F3)]

G. Number of actual closures to date in FY03 (data source: DFAS Denver):

(1) ACCP and/or EACC

Quarter: _____ Total for FY03: _____

(2) Non-ACCP

Quarter: _____ Total for FY03: _____

(3) Total Closures [(G1) + (G2)]

Quarter: _____ Total for FY03: _____

Figure C5.F3. FMS Case Closure Status, continued

H. Number of cases transitioned from interim and/or 'C2' to final and/or 'C3' status (data source: DFAS Denver)

Quarter: _____ Total for FY03: _____

I. Estimated number of cases to be closed in FY03 per Plan of Action and Milestones and/or goal: _____

J. Closure Progress to Date when Compared to Goal (G(3) Total / I): _____%

PART 2: Resources

Financial

Total funding dedicated to effort: \$ _____

Allocation Distribution:

Reconciliation:

Case: \$ _____

Contract: \$ _____

NULOs: \$ _____

SDRs: \$ _____

Travel \$ _____

DFAS Denver: \$ _____

Other (describe) _____ \$ _____

Personnel

Government Resources: Describe resources dedicated to effort:

Contract Support Services: Identify contractor and function performed:

REMARKS AND/OR COMMENTS: (use this field to enter in any additional narrative that may help further explain the closure progress made to date and to address any obstacles and/or inhibitors that should be brought to DSCA's attention. Trend analysis (e.g., are some commands performing better and/or worse than others, are certain categories of cases more prone to closure problems?) may be helpful, as well.

Figure C5.F3. FMS Case Closure Status, continuedNotes

(1) The information requested for items A - D is similar to that data used as DSCA Performance Based Budgeting inputs.

(2) "Open cases" are defined as those cases that are already implemented as of the quarter ending date, either active or SSC, but which have not yet been submitted to the DFAS Denver closure inventory.

INVENTORY OF ACCP CASES 2 YEARS SSC
KEPT OPEN PER FMS PURCHASER REQUEST

FMS Case Identifier	<u>Purchaser Reference</u> (Reference Number and Date) ***	<u>Authorizing Purchaser Official</u> (Name and Title)

*** May also include reference to a specific FMS review where the status of this case was discussed.

C5.4.3. Performance Measurements. Performance in closing cases is measured at the highest levels within the USG's FMS community. The SCDF that meets quarterly is a primary oversight component. The SCDF is chaired by the DSCA Deputy Director, and includes senior representatives, such as those from the IAs, DFAS, DCMA, and the Foreign Procurement Group. At each meeting, a briefing is given on the following closure performance measurements:

C5.4.3.1. The number of open ACCP cases over 2 years SSC, and comparison with a previously established year-end objective.

C5.4.3.2. The number of open non-ACCP cases over 2 years SSC (given primarily for informational purposes).

C5.4.3.3. The dollar value of estimated excess collections for the SSC cases reported in subparagraphs C5.4.3.1. and C5.4.3.2., above.

C5.4.3.4. The number of cases closed during the past quarter (ACCP and non-ACCP closure statistics are given separately, and shown by individual MILDEPs).

C5.4.4. DFAS Denver Closure Statistics. DFAS Denver is responsible for supplying case closures statistics at the end of each quarter to DSCA/OPS-ADMIN. DSCA/OPS-ADMIN decides the composition of the statistics. Generally, the information is provided in slide form, showing the total number of Army, Navy, Air Force, and Minor IA cases closed during the quarter plus the 4 previous quarters. The IA closure numbers are further broken down into the number of Non-ACC, ACC, and EACC cases for each of the quarters. Another slide is compiled that shows EACC statistics since the implementation of the program in 1995. The slide shows the total number of cases closed under EACC procedures and the net excess funds returned to purchasers at closure.

C5.5. CCSA STATEMENT

C5.5.1. DFAS Denver maintains the CCSA at country level. Transactions occurring after interim closure are processed against each country's respective accounts. (See section C4.12. for the background and processing requirements related to CCSA.) Table C5.T4. is the lexicon for the CCSA statement. Figure C5.F4., below, is a sample statement.

Table C5.T4. Lexicon For CCSA Statement

<u>Data Field</u>	<u>Definition</u>	<u>Data Options</u>
Date (header)	In year/month/day format.	For example, 02/10/03 is October 3, 2002
CLSR TYPE	Closure Type	'2' is Interim Closure; '3' is Final Closure
CC	Country Code	
IA	U.S. IA	
CASE	Case Designator	
STATUS CHG	An asterisk (*) shows the CLSR TYPE status changed or that the case was either interim or final closed during that quarter.	
DT-CLSR	The Julian Calendar date on which the case was closed. Only one date shows in this report column.	If the CLSR TYPE is '2,' DT-CLSR is the interim closure date.
DT-FNLZ	The Julian Calendar date on which the case was final closed.	If the CLSR TYPE is '3,' DT-FNLZ applies (in the place of DT-CLSR) and shows when the case was moved to final closure status.
EACC	Shows if the case was closed under EACC procedures.	
ORIG ULO VALUE COL A	Original ULO value assigned when the case was closed.	
PREV ACTIVITY COL B	The ULO applicable to that case at the end of the past quarter.	
CURR QTR ACTIVITY COL C	Amount of the adjustment to the ULO value for that case during the current quarter.	
CURR QTR BAL COL A-B-C	Shows the ending balance for the current quarter. It is derived by Column A less Columns B and C.	

Table C5.T4. Lexicon for CCSA Statement, continued		
SUBTOTAL BY TYPE	Subtotals the case activity corresponding to each CLSR TYPE.	There is a separate section for the CLSR TYPE '2' cases and one for the '3' cases.
SUBTOTAL BY ICS	Subtotals the case activity at the purchaser's ICS level.	
TOTAL BY CC	Totals for the entire country.	

Figure C5.F4. CCSA Sample StatementDEFENSE FINANCE AND ACCOUNTING SERVICE – DENVER CENTER
DEPUTATE FOR SECURITY ASSISTANCE (DFAS-ADY/DE)ACCELERATED CASE CLOSURE SUSPENSE ACCOUNT
FOR QUARTER ENDING JUNE 2002

DATE: 02/10/03

PAGE: 1

CLSR TYPE	CC IA	CASE	DT-CLSR DT-FNLZ	ORIG ULO VALUE COL A	PREV ACTIVITY COL B	CUR QTR ACTIVITY COL C	CUR QTR BAL COL A-B-C
CC – BD							
ICS – B							
2	BD P	LZB	01271	6,738.06	0.00	0.00	6,738.06
2	BD P	PNN	01270	9,615.78	0.00	0.00	9,615.78
2	BD B	ZMH	95165	358.63	0.00	0.00	358.63
SUBTOTAL BY TYPE				16,712.47	0.00	0.00	16,712.47
SUBTOTAL BY ICS				16,712.47	0.00	0.00	16,712.47
ICS – D							
2	BD P	ARF	02031	17,130.20	0.00	0.00	17,130.20
2	BD D	CFE	02045	953.18	0.00	753.18	200.00
2	BD D	GFL	00364	44,197.71	3,804.00-	0.00	48,001.71
SUBTOTAL BY TYPE				62,281.09	3,804.00-	753.18	65,331.91
SUBTOTAL BY ICS				62,281.09	3,804.00-	0.00	65,331.91
SUBTOTAL BY TYPE				78,993.56	3,804.00-	753.18	82,044.38
ICS – P							
3	BD P	BCN	02086	172,509.40	22,055.95	0.00	150,453.45
SUBTOTAL BY TYPE				172,509.40	22,055.95	0.00	150,453.45
SUBTOTAL BY ICS				172,509.40	22,055.95	0.00	150,453.45
TOTAL BY CC				251,502.96	18,251.95	753.18	232,497.83

NOTE: ASTERISK (*) IN NEW COLUMN MEANS THE CASE CLOSED THIS QUARTER OR CHANGED CLOSURE TYPE.

NOTE: AMOUNTS IN COLUMNS B AND C ARE DISBUREMENTS (DEBIT AND CREDIT).

RETRIEVAL: ULOQTRLY

C5.5.2. CCSA Withdrawal Procedures. In theory, the greater the accuracy of the original ULO estimates applicable to the case being closed, the less likely CCSA excesses result. Since inception of ACCP in 1992, ULO estimates, while reasonably accurate, have not been exact. The purpose of CCSA withdrawals is to release excess funds on deposit in that account, at the individual country level. This optimizes the utility of purchaser funds. Also, purchaser satisfaction increases by knowing that the USG is continually checking its FMS accounts regardless of FMS case status. The successful execution of CCSA withdrawals is dependent on a closely coordinated effort between offices within the DSCA (FPS and CFM), DFAS Denver, and MILDEPs.

C5.5.2.1. Withdrawal Eligibility.

C5.5.2.1.1. Withdrawals are made only on cases that have been closed with no remaining ULO value, on cases with a residual ULO value of under \$50, and/or on cases for which all post-closure billing (i.e., disbursement) activity has already occurred (i.e., 'C3' status).

C5.5.2.1.2. The entire ULO amount must be kept in the CCSA for cases still ineligible for closure type '3' due to any of the following criteria:

C5.5.2.1.2.1. All cases closed less than 2 years prior.

C5.5.2.1.2.2. Cases had post-closure billing (disbursement) activity within the last 2 years.

C5.5.2.1.2.3. Cases had no activity in the last 2 years, but the MILDEPs have revalidated the remaining ULO balance.

C5.5.2.1.3. CCSA amounts must be kept in the CCSA to cover cases with a negative ULO balance.

C5.5.2.1.4. If the amount available for withdrawal exceeds 50 percent of the total CCSA balance, the total CCSA balance shall be multiplied by 25 percent. This 25 percent represents the reserve funds to be kept in the CCSA to lessen the probability of future CCSA deficits at the total account balance level. Only the remaining 75 percent is considered eligible for withdrawal.

C5.5.2.1.5. If the amount available for withdrawal is less than 50 percent of the total CCSA balance, the entire amount of eligible funds may be withdrawn.

C5.5.2.2. Information Requirements. The process for reviewing for potential CCSA withdrawals occurs on an annual basis. The following procedures apply:

C5.5.2.2.1. DFAS Denver provides various reports to DSCA/FPS on country and case ULO balances and any other reports that DSCA/FPS may require to evaluate those balances.

C5.5.2.2.2. DSCA/FPS provides a list to the MILDEPs of all interim closed cases (closure type ‘2’) with a ULO balance but which have had no activity within the past 2 years. This list shall have two columns to be filled in by the MILDEPs. One column titled “Can this case be final closed?” shall be filled in with either a “yes” or “no.” The second column titled “Remarks” shall be filled in if the MILDEP decides the case may not move to final closed (‘C3’) status. The reason must be given, citing the appropriate ULO category as found in paragraph C3.13.1. An estimated future physical completion date, when available, shall be annotated in this field, as well. Further, it is expected that the MILDEP shall use the ULO supporting documentation process included in the case closure certificate (see Figure C4.F6).

C5.5.2.2.3. As the same MILDEP personnel work the EACC list and the ULO refund list, the EACC list for the quarter ending September 30th generally does not include any new cases. It is the responsibility of MILDEP personnel to validate the ULO balances. The following table shows the critical milestones associated with deciding ULO refunds:

Table C5.T5. CCSA Refund Milestones

June 15	DSCA/FPS tasks MILDEPs to analyze annual review
July – September	MILDEPs conduct analysis
September 30	MILDEPs forward analysis results and recommendations to DSCA/FPS
October	MILDEP systems move cases to ‘C3’ (final) status, including submitting a revised final closure certificate
November 15	DSCA/FPS forwards proposed ‘C3’ list and excess CCSA amount to DSCA/CFM for review
November 15-30	DFAS Denver sends ‘C1’ feedback to Army and Navy for systems to push all cases with zero ULO to ‘C3’ status
November 30	DSCA/CFM replies to DSCA/FPS on ‘C3’ list and amounts to be withdrawn from individual countries’ CCSAs
December	DFAS Denver moves cases to ‘C2’ status in DIFS, DFAS Denver transfers excess funds from CCSA to holding accounts (7QQ, etc) under applicable cases, DFAS Denver moves cases back to ‘C3’ status in DIFS, and DSCA (Business Operations/Comptroller) sends refund letters to applicable countries.

C5.5.2.2.4. MILDEPs, in coordination with DFAS Denver, revalidate the ULO balances or otherwise decide that no additional billing requirements exist for that case, thereby certifying the status of CCSA funds.

C5.5.2.2.5. MILDEPs must submit replies for all cases on the FPS list, even if the ULO required amounts are less than 1 percent of the total closed case value (including negative values), and/or when the ULO required amount is between zero and \$50.

C5.5.2.2.6. DSCA/FPS forwards to DSCA/CFM its comprehensive report identifying all countries for which excess CCSA funds appear to exist, along with its recommendation on the excess funds eligible for withdrawal. That report also details the specific cases comprising the country-level CCSA excess funds total. As requested by the CFDs, the case-level reports may be sorted by ICS.

C5.5.2.2.7. DSCA/CFM reviews the DSCA/FPS products and, with DSCA/FPS, agrees on the eligible withdrawal amounts.

C5.5.2.2.8. DSCA/FPS directs DFAS Denver on the amount of CCSA withdrawal to be effected at a time specified by DSCA/FPS (in coordination with DSCA/CFM).

C5.5.2.2.9. All CCSA withdrawals occur without impacting the final closure status ('C3') of a given FMS case, unless DSCA/FPS specifically authorizes a case to be reopened to capture the extenuating financial transactions associated with post-closure activity. However, due to limitations within DIFS, DFAS Denver is authorized to temporarily move the case to an interim closure status ('C2') to process the withdrawal. After the withdrawal, DFAS Denver transfers the case back to a final closure status ('C3').

C5.5.2.2.10. DSCA/FPS segregates funds available for withdrawal from CCSA between those resulting from cash-financed cases and those financed with FMS Credit and/or MAP Merger (i.e., FMF).

C5.5.2.3. Withdrawal Methodology.

C5.5.2.3.1. DSCA/FPS sends to DSCA/CFM CFDs (with an info copy to DFAS Denver) the agreed-on detailed report for all CCSAs for which excess funds are found to reside and are authorized for withdrawal.

C5.5.2.3.2. DSCA/FPS prepares letters to the affected countries that notify them of the excess amounts being withdrawn from the CCSA, including segregating those funds between cash and FMF amounts and, for cash, by ICS. Those letters are signed by the Director, DSCA Business/Operations Directorate.

C5.5.2.3.3. DSCA/FPS prepares a memorandum to DFAS Denver requesting the transfer of all funds identified for withdrawal, from the CCSA to the appropriate FMS Trust Fund holding account.

C5.5.2.3.4. DFAS Denver ensures that the receiving holding accounts show this activity in the applicable holding account statements for that quarter, and ensures that the CCSA statement shows the withdrawn amounts.

C5.5.2.3.5. Disposition of Funds Originating from Cash-Funded Cases.

C5.5.2.3.5.1. DFAS Denver transfers funds originating from cash-funded cases (and previously identified by DSCA/FPS) to the FMS Trust Fund holding account 7QQ. This holding account serves as a temporary repository of those funds and gives an appropriate audit trail for checking CCSA withdrawals.

C5.5.2.3.5.2. DSCA/CFM requests that purchasers respond within a reasonable timeframe with their authorizations to transfer these funds to more desired repositories. Options for disposing of these funds include cross-leveling to active FMS cases to liquidate arrearages or reduce future outlay requirements; transferring to other holding account(s), perhaps to further segregate excess funds by ICS; and refunding directly to the purchaser.

C5.5.2.3.6. Disposition of Funds Originating from FMF-Funded Cases.

C5.5.2.3.6.1. DFAS Denver initially transfers the FMF-related CCSA withdrawn funds to the FMS Trust Fund holding account identified in subparagraph C5.5.1.3.5.

C5.5.2.3.6.2. DFAS Denver then transfers those funds to the '5QQ' (Credit) or '2QQ' (MAP Merger) holding account, whichever is decided by DSCA/CFM as the more appropriate repository.

C5.5.2.3.6.3. DSCA/CFM records an offsetting commitment entry (i.e., a negative 'RA' transaction) into the FMS Credit System database using pseudo case identifier Q-ULO as the audit trail for checking these transactions. This action increases the purchaser's FMF uncommitted balance by a corresponding amount.

C5.5.2.3.6.4. DSCA/CFM requests that purchasers respond within a reasonable timeframe with their authorizations to transfer those funds to finance other LOAs with those FMF funds. This results in de-committing pseudo case Q-ULO by the amount authorized for transfer by the purchaser. Again, optimizing the utility of scarce FMF resources is the main objective.

C5.5.2.3.7. DSCA/CFM CFDs are urged to promote the awareness level of this issue by meeting with purchasers, including briefings during FMRs.

C5.6. REPORTING MANPOWER FUNDING

FMS Administrative surcharge is the funding source for all reporting efforts addressed in this chapter.

C5.7. GENERAL POC MATRIX

Table C5.T6., below, lists the primary POCs for active case reconciliation and closure reporting issues.

Table C5.T6. General POC Matrix for Reporting

ORGANIZATION	OFFICE SYMBOL
DSCA (Policy)	DSCA/FPS
DSCA (Execution)	DSCA/OPS-ADMIN
Army	AMSAC-OL-PA-CS
Navy	NAVY IPO (02CF)
Air Force	SAF/FMBIS
DFAS Denver	DFAS-ADYK/DE
DCMA	DCMA-FB