



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

AUG 29 2006

In reply refer to:  
I-06/009393-STR

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Marking of Packages Requesting Establishment of Nonrecurring Cost (NC)  
Recoupment Charges, DSCA Policy 06-34 [SAMM E-Change 58]

DSCA received a request from the Army to clarify the proper marking to be used for the NC recoupment charge establishment worksheets, required per DoD FMR 7000.14-R, Volume 15, Chapter 7. In the past, DSCA issued guidance requiring the worksheets to be classified to ensure the protection of DoD-proprietary information. This guidance was not included when the SAMM was rewritten in October 2003. However, the current Information Security Program regulation (DoD 5200.1-R, 1 Jan 1997) authorizes information that may be exempt from the Freedom of Information Act to be marked "For Official Use Only (FOUO)" unless circumstances require formal classification.

Effective immediately, the SAMM, Chapter 9, C9.4.5.1. is updated as follows to provide guidance on the classification of NC recoupment charge establishment worksheets:

**C9.4.5.1. NC Approval Process.** The DoD Components submit requests to establish an NC to DSCA (Programs Directorate) using the formats and pricing methodology in DoD 7000.14-R (reference (o)), Volume 15, Chapter 7. Detailed worksheets accompanying NC recoupment charge establishment requests will be marked "For Official Use Only (FOUO)" unless circumstances require formal classification. DSCA (Programs Directorate) staffs the package within DSCA, Assistant Secretary of Defense – International Security Affairs (ASD(ISA)), Assistant Secretary of Defense – International Security Policy (ASD(ISP)), Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), and Under Secretary of Defense – Comptroller (USD(C)). After coordination, the Director, DSCA approves or disapproves the NC charge and the Defense Security Assistance Management System (DSAMS) NC table is updated.

This change will be included in the automated version of the SAMM found on the DSCA Web Page as SAMM E-Change 58. We will also forward a recommendation to OSD Comptroller that a change be made to the FMR that the NC establishment worksheets be marked FOUO unless circumstances require formal classification. If you have any questions concerning this policy, please contact Mr. Brion Midland, STR/POL,

at (703) 601-3672 or e-mail: [brion.midland@dscs.mil](mailto:brion.midland@dscs.mil). For NC processing questions, please contact Mr. Alden Sanborn, PGM/WPN, at (703) 601-4718 or e-mail: [oz.sanborn@dscs.mil](mailto:oz.sanborn@dscs.mil).

Attachment  
As stated

Handwritten signature of Jeffrey B. Kohler in black ink.

JEFFREY B. KOHLER  
LIEUTENANT GENERAL, USAF  
DIRECTOR

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