**AP7.19. APPENDIX 7.19**

**SECURITY ASSISTANCE PROGRAM TYPE OF ASSISTANCE AND FINANCING CODES**

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| NUMBER OF CHARACTERS: | One. |
| TYPE OF CODE: | Alphanumeric. |
| EXPLANATION: | Provides additional information concerning type of transaction applicable to Security Assistance shipments. |
| RECORD POSITION(S): | 35. |
| AP7.19.1. GRANT AID  |

| CODE | EXPLANATION |
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| 1 | Grant Aid rendered under the authority of the Federal Aviation Administration (FAA) of 1961 for which the United States receives no reimbursement. |
| A | Grant transfers of Excess Defense Articles provided under the authority of the FAA of 1961 for which the United States receives no reimbursement for the value of the materiel. |
| C | Presidential determination to order defense articles from stock and performance of defense services to satisfy Grant Aid requirements with reimbursement from subsequent military assistance appropriations. (Section 506 of the FAA of 1961.) All requests for Working Capital Fund activities (to include transportation), shall include a funding source to allow Defense Working Capital Fund (DWCF) activities to be reimbursed by the military departments; orders will not be accepted without a funding source. (DoD FMR 7000.14R, Vol 12, paragraph 230502 and Vol 11B, paragraph 110106.A. |
| D | Military Assistance Service Funded (MASF). Grant Aid programs transferred to the DoD budget, which were not controlled and implemented through the Grant Aid documentation and automatic data processing (ADP) system. |
| H | Grant Aid share of cost sharing agreements. |
| K | Grant Aid-owned assets obtained through barter arrangements with Federal Republic of Germany (used in conjunction with Supply Source Code B only). |
| L | Grant Aid provided through the NATO Hawk Production and Logistics Office (NHPLO) for maintenance support of Hawk Missile system (use in conjunction with Supply Source Code N only). |
| P | Grant Aid programs transferred to the DoD budget which were controlled and implemented through the Grant Aid documentation and ADP system. |
| R | Grant Aid of U.S. recovered materiel resulting from liquidation of NATO Maintenance and Supply Agency (NAMSA) excess stockage. |
| S | Assigned to all records in the Repbulic of Korea (ROK) Equipment Transfer program authorized by Public Law 95-384 at no charge to Grant Aid. This code is also assigned to all PY 71 update and 72 equipment transferred to the ROK under Public law 91-652 at no cost to Grant Aid. This code is also assigned to ammunition transferred to the Royal Thai Government from Army foreign military sales (FMS) Case UEB. Transfer at no cost to Grant aid was authorized by Section 24, Public Law 96-92. |
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|  AP7.19.1.1. Type of assistance Codes used in other than Grant Aid transactions: |
| F | Training provided as a part of an FMS case. This data is maintained in the DSAA Grant Aid data base purely as a service to assist the Military Department in accounting for students and/or spaces provided under FMS. Not used in MILSTRIP. |

AP7.19.2. FOREIGN MILITARY SALES. Terms of sale and accompanying type of assistance codes indicate the statutory authority for a foreign military sale; the time of payment for the sale; whether the sale is to be from DoD stocks or procurement; and whether the sale is to be financed on a cash or credit basis. The implementing agency enters the appropriate Terms of Sale and accompanying type of assistance codes in the “Terms” block of the letter of offer. The implementing agency uses type of assistance code for MILSTRIP requisitioning purposes. The following codes and definitions have been extracted from [DSCA 5105.38-M](http://www.samm.dsca.mil/), Security Assistance Management Manual (SAMM), for the convenience of MILSTRIP participants. A more complete definition of the codes shown below may be found in the SAMM.

| CODE | EXPLANATION |
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| 3 | Cash sale from Stock with Payment in Advance. This code applies to cash payments in advance of delivery and/or performance for a foreign military sale which the Implementing Agency determines at the time of the offer will be from DoD stocks. |
| 4 | Source of Supply Not Predetermined with Payment in Advance. This code applies to cash payment for a foreign military sale for which the Implementing Agency has not yet determined, at the time of the offer, the extent to which the supply source will be DoD stocks or procurement. |
| 5 | Cash Sale from Procurement with Payment in Advance. This code applies to cash payment in advance of delivery and/or performance for a foreign military sale which the Implementing Agency determines at the time of the offer will be from DoD procurement. |
| 6 | Cash Sale from Stock with Payment on Delivery. This code applies to cash payment upon delivery of defense articles or initiation of performance of defense services which the implementing Agency determines at the time of offer will be from DoD stocks. |
| 7 | Cash sale from Procurement with 120-Day Payment. This code applies to cash payment 120 days after delivery of articles or commencement of performance of services for a foreign military sale, which the implementing Agency determines at the time of the offer, will be from DoD procurement. |
| 8 | Cash sale from Stock with 120-Day payment. This code applies to cash Payment 120 days after delivery of articles or commencement of performance of services for a foreign military sale which the Implementing Agency determines at the time of the offer will be from DoD stocks. |
| M | Grant Aid Merger. The Grant Aid, established under the mutual Defense Assistance Act of 1949, originally provided for the loan or grant if military equipment, materials, and services (including training) to eligible nations. Since FY 82, the authority of Section 503(a)(3) of the FAA of 1961 has been used to merge Grant Aid funds with recipient countries funds and/or with FMS financing credit in the FMS Trust Fund, to make adequate funds available to finance the country’s FMS cases. In addition, since FY06, other authorized granting of US appropriations for use for FMS. |
| N | Section 23 or 24 Arms Export Control Act (AECA) FMS, Credit (Non-Repayable). |
| U | FMSO No. 1. This code applies to cash payment for a Foreign Military Sales Order (FMSO) No.1 Supply Support Arrangement (SSA). The purchasing government buys equity in a specified dollar amount of DoD stocks. DoD maintains that portion of its stocks for eventual delivery to the purchasing government under a FMSO No.2 requisition agreement. |
| V | FMSO No. 2. This code applies to cash payment for a FMSO No.2 SSA which permits the purchaser to submit requisitions for common repair parts and secondary items in the DoD stocks of which the purchaser has bought an equity under a FMSO No.1 agreement. The use of this code requires the input of Cooperative Logistics Program Support **Code** (CLPSC) 1 or 2 (Appendix 7.22) in rp 72 of Cooperative Logistics Supply Support Arrangement (CLSSA) requisitions and passing orders by the applicable International Logistics Control Office (ILCO). |
| Z | Section 23 or 24, AECA, FMS Credit. |