

Transcript (SCIP Training – Interim Closed Case Financial Demonstration):

Welcome to the DSCU Skip training video. My name is John O'Connor. I'll be the DSCU instructor for this training video. It's going to be relatively short because we're only going to focus on looking at interim closed cases, and specifically looking at what type of financial data is in SCIP for interim closed cases is there that can assist in both the United States government personnel and international purchaser personnel who are managing that case who are interested in financial status for that case.

If you recall from your process lessons and information that you've learned over the years, that an interim closed case by definition is a case that there has been obligations and money collected, but some of those legal obligations have not been fully disbursed. So in Foreign Military Sales (FMS) that allows the United States government to interim close cases, and return funds that are not needed back to the international purchaser, and set aside the remaining amount of funds that have obligations that are not been dispersed for future disbursements.

So we're going to be looking at those type of cases that are Interim Closed. So I'm currently in Security Cooperation Information Portal (SCIP). I'm looking at the SCIP Case Information Community. So out of the all the different menu options in the case information, I'm going to look for a case status of interim closed, so I'm going to navigate to Case Status. We are not going to spend a lot of time reviewing how to use the case status filters to find cases of interest. If that's something that you need a refresher on how we encourage you to go to some of our other training reference material, including the training video demonstration on how to use the SCIP Case Information Community Case Status filters to be able to navigate using these filters to find case(s) of interest.

Because there's multiple options, the only ones that we're going to use to find our interim closed cases is our country code and document states code. Since we have BN (Bandaria here, we'll use that as our country of interest if you will. And then we're going to collect document status and about all the options in the phase process is we're going to look for IC or Interim Closed as we mentioned.

And then specifically when we look down and we find that by using that filter option of IC Interim Closes, SCIP has now narrowed out of all the Bandaria cases to 24 cases that total just below \$29 million. We could look at the financial status of any of these 24 Interim Closed (IC) cases, but specifically we're going to pick one of interest. I am going to select this Bandaria BN-P-AKO case. AKO is an ammunition case for Bandaria that the U.S. Navy is managing, and currently the status of this case is Interim Closed (IC). The last status update as you see was September 10th 2019, and in fact, that's one of the reasons we're going to pick this is it's relatively recent as far as the last update and the total case value is just about \$6 million and we're going to look at the financial status.

Like any SCIP case status result options, we could look at our case of interest by either double clicking that case of interest, or by clicking the dropdown report and then clicking the option of what we'd like to view, and then clicking View Report button.

Since we're looking for closure detail, we're going to go ahead and select closure detail and then click the View Report button that will allow us to be able to very quickly see the closure detail. I'm going to switch it to the actual report, so bear with me as I switch to it.

So we're going to look specifically at our case report for the BN-P-AKO case. And as it appears on your screen, notice that we're currently looking at 2 levels of the Case Report which includes in this example, Case Detail on the left side, and Closure Detail on the right. Just a reminder that the case report has multiple levels. We have Case, Document, Case Line, Requisition, Supply Discrepancy Report, Document Timeline, and Closure Detail. And even though it appears this is a single screen of data in reality these are two virtual levels of the case report, which is why there are 2 menus with one on the left, and one on the right. So we're currently looking at Closure Detail on the right side of the screen. If we click Closure Detail on the left side via that navigation menu, we could also look at that level of the Case Report on the left. Also remember that you can very quickly export every one of these levels of data to a Microsoft Excel spreadsheet that you can download and analyze offline. To do so, all you need to do is click the Microsoft Excel icon in the upper right, keep the default of all levels and then you can save it to whatever local drive location you want.

But we're looking, as I as we mentioned for this training video on Interim Closed (IC) cases, so we're going to focus on closure detail. We'll start at the top. We have some information on closure codes, as you see, that includes Closure Code, Closure Certificate Status code, and so on. Some of these codes you may not be familiar with. So the nice thing is, as always, on SCIP if you click give these entries in blue, you can not only get the definition of what that phrase means, but also the definitions for the applicable codes listed. So for example, if we click the hyperlink for the Defense Integrated Financial System, which is what DIFS stands for, it informs us that it is the accounting system that the Defense Finance and Accounting Service (DFAS) is using. If you are looking for the definition of case closure type Code 2, if you click that hyperlink, first it gives me the definition informing me that it's a code representing the type of closure, and then the number 2 indicates that it's an Accelerated Case Closure Procedure (ACCP), Interim Closed (IC). And if you recall from your process lessons, Accelerated Case Closure Procedure (ACCP) is the official term for what we call Interim Closed (IC) type cases. So key point is to use the hyperlinks to get meanings of phrases and also meanings of codes.

Also, if you recall when I was talking about Interim Closed (IC) cases, I mentioned that any funds that were not needed by the United States Government can be returned to the international purchaser, which they certainly would like to use for other purposes. So this tells us this Defense Integrated Financial System (DIFS) case holding account. Once that case is Interim Closed (IC), any funds that's not needed would be moved from the FMS Trust Fund case account to a specific sub-account in that countries FMS Trust Fund account by the Defense Finance and Accounting Service (DFAS). And specifically in this particular instance, it would be moved to a case

holding account designator 1PP, which indicates that those are Bandaria funds managed by the Bandaria Navy and the United States Navy.

We also see a closure type of two, which is also similar to what we talked about before. That indicates that the case closure certification was requested by the implementing agency in this case Department of Navy, and the Defense Finance and Accounting Service is documenting this in their Defense Integrated Financial System (DIFS) Case closure Certificate Inventory which is what the CCCI indicates. Just another example how a lot of these terms and abbreviations you may not recall off the top of your head, so use the hyperlinks to assist you in understanding it the next part.

After the codes, there is the closure dates listed including when the case was initially implemented and the DIFS case implementation date. As you can see, this case has been over a decade as it initially was implemented back in 2008. So it was active for quite a long time. It was estimated to be closed in June 30th of 2018, but the reality is it was Interim Closed (IC) about a year after when they estimated, so not bad. It was Interim Closed (IC) on September 10th, 2019. So this is a very quick way to just look at the case closure dates information to indicate and give you some insights and how it reached its interim close from its starting point which is when it was initially implemented.

But now let's turn to the focus of this training, which is financial. So we have two areas below here. Here, our closure amounts and values and also our DIFS ULO amount. Remember, ULO is the abbreviation for unliquidated obligation which are those funds that have been obligated by the U.S. government that have not been disbursed. So the U.S. government sets that money aside in the country level Accelerated Case Closure Suspense Account, and then disburses those funds as bills are received.

So before we look at that DIFS ULO, let's look at the other amounts and values. So just like the dates, this gives us a lot of information here. So if you do not personally have the Defense Integrated Financial System (DIFS) account to be able to see this information directly. The nice thing is SCIP like many different systems draw us up on that DIFS computer system to draw this financial information into these SCIP reports. That allows you to see it even though you particularly or maybe the International purchaser, and in this case they definitely would not have a DIFS account. And there's a lot of a lot of financial information as you see here. So we have a DIFS Total Collections and that does match the DIFS Ordered Total Case Value. We have the above the line amount, and we also have our delivered, and. Total case values. So our total collection and our delivered total case value match, so that's good. We also have our Contract Administrative Services (CAS). We also have our FMS Admin funds which shows us exactly how those funds have been used. All the money was Bandaria's funds, which is why there's no FMS credit or Military Assistance Program (MAP) collections on there. We also document progress payments, etc. So there's a lot of financial information that is available now you notice.

Here that we have a articles and services delivery, and then we have a disbursed. So if you subtract those two, we're going to have a small amount of money that has been delivered but not yet disbursed. Remember, that's the whole concept we talked about financially of an interim

closed. We have legal obligations, but is not all those legal obligations have not been disbursed. So if we do, the difference between these two? We're essentially going to get this amount here. The UOL required amount \$1991.84. Now if you did the math, you might notice that if you just subtract this amount from this amount, it's going to be actually slightly more than this, and the difference is if you add this ULO required amount plus the DIFS CAS transfers that would equal the difference between the DIFS articles delivery total and the disbursement. So it truly does give you insights financially of what is going on with these funds.

So the good news is money has been set aside the cases but interim closed. But ultimately, the funds that's been set aside in the country's Case Closure Suspense Account are intended to pay these legal obligations, the unliquidated obligation (ULO) amount. Ultimately, that amount should be either fully disbursed or returned (if no longer required) to Bandaria. And the question is that actually occurring? And based on what we're seeing here, the disbursement amount is \$0. So as you see, this case was Certified on August 15th, 2019, and Interim Closed (IC) on September 10th, 2019. So for nearly two years ago that amount of money in the unliquidated obligation (ULO) country level Case Closure Suspense Account has been sitting static if you will. There's been no disbursements and that certainly be something financially, that the analysts, both for Bandaria and the United States government should be looking at. Is this amount still needed? Are there bills that are going to come in for subsequent disbursements? When are they going to come in? Or can some or all of those funds be de-obligated to return back Bandaria?

So that's the point of looking at interim closed cases. There are a lot of interim closed data closure codes, closure dates and financial data closure amounts and values including data from the Defense Integrated Financial System (DIFS), unliquidated obligations (ULOs), etc.

Remember to use the hyperlinks because for the information and the codes you may not be familiar with it, or you may need a refresher on them. Also remember if you wanted to analyze it offline, export it to an Excel spreadsheet.

Hopefully what you've learned here is that even for Interim Closed (IC) cases, the Security Cooperation Information Portal (SCIP) can give you a lot of information. Just navigate within the SCIP Case Information Community using the Case Status filters to find your Interim Closed (IC) case or cases of interest, and then use the data along with the hyperlinks for the definitions and the codes to understand. Once you do that, then you and your country(s) of interest (e.g., Bandaria, etc.) can work together to hopefully find a solution that makes sense for all parties concerned.

So with that good luck with your training, remember you can always go back and review any portion of this video. If you want a refresher or you may be missed something. Also, use the online help resources and publications including what's on the Security Cooperation Information Portal Help and Training Community which can be of great assistance to you. Plus, the DSCU instructors are great resources if you have additional questions. Other than that, so long for now, and good luck in your training.