



CONTRACTING

IUID

ITEM UNIQUE IDENTIFICATION



A BETTER
WAY TO KEEP
TRACK
OF THINGS

What Is the Policy for IUID and Valuation?

DFARS 211.274-2: Policy for Unique Item Identification

DoD unique item identification or a DoD recognized unique identification equivalent {DoD has established the criteria for IUID and equivalents} is required when one or more of the following applies—

- All delivered items for which the Government's unit acquisition cost is \$5,000 or more *{IUID is mandatory for all DoD procurements that require delivery of items.}*
- Items for which the Government's unit acquisition cost is less than \$5,000, when identified by the requiring activity as serially managed, mission essential, or controlled inventory items. *{These items must be explicitly identified in the solicitation and contract.}*
- When the Government's unit acquisition cost is less than \$5,000 and the requiring activity determines that permanent identification is required. *{These items must be explicitly identified in the solicitation and contract.}*
- Regardless of value—any DoD serially managed subassembly, component, or part embedded within a delivered item. *{These items must be explicitly identified in the solicitation and contract. Many items are serialized, but may not be serially managed by DoD.}*

DFARS 211.274-3: Policy for Valuation

Contractors shall identify the Government's unit acquisition cost for all items delivered, even if none of the criteria for placing a UII mark applies.

- The Government's unit acquisition cost is—
 - The unit price identified in the contract at the time of delivery, for fixed-price type line items.
 - The contractor's estimated fully burdened unit cost to the Government at the time of delivery, for cost-type or undefinitized line items or items delivered under a time-and-material contract.
- The Government's unit acquisition cost of embedded subassemblies, components, and parts is not required.



Item Unique Identification (IUID) is a mandatory DoD requirement for each DoD asset to be assigned and marked with a unique item identifier (UII). This requirement is specified in the Defense Federal Acquisition Regulations Supplement (DFARS), and stipulates the insertion of a clause into those contracts and orders that will result in the delivery of items to the DoD. This brochure provides an overview of the contracting requirements associated with IUID.



What Is the Policy for IUID and Valuation?

DFARS 211.274-2: Policy for Unique Item Identification

DoD unique item identification or a DoD recognized unique identification equivalent {DoD has established the criteria for IUID and equivalents} is required when one or more of the following applies—

- All delivered items for which the Government's unit acquisition cost is \$5,000 or more *{IUID is mandatory for all DoD procurements that require delivery of items.}*
- Items for which the Government's unit acquisition cost is less than \$5,000, when identified by the requiring activity as serially managed, mission essential, or controlled inventory items. *{These items must be explicitly identified in the solicitation and contract.}*
- When the Government's unit acquisition cost is less than \$5,000 and the requiring activity determines that permanent identification is required. *{These items must be explicitly identified in the solicitation and contract.}*
- Regardless of value—any DoD serially managed subassembly, component, or part embedded within a delivered item. *{These items must be explicitly identified in the solicitation and contract. Many items are serialized, but may not be serially managed by DoD.}*

DFARS 211.274-3: Policy for Valuation

Contractors shall identify the Government's unit acquisition cost for all items delivered, even if none of the criteria for placing a UII mark applies.

- The Government's unit acquisition cost is—
 - The unit price identified in the contract at the time of delivery, for fixed-price type line items.
 - The contractor's estimated fully burdened unit cost to the Government at the time of delivery, for cost-type or undefinitized line items or items delivered under a time-and-material contract.
- The Government's unit acquisition cost of embedded subassemblies, components, and parts is not required.

DFARS Clause 252.211-7003, Item Identification and Valuation

- DoD contracting personnel must include DFARS clause 252.211 7003, Item Identification and Valuation, in all solicitations and contracts. *{This includes Requests for Proposals (RFPs), Requests for Quotes (RFQs), Invitations for Bids (IFBs), contracts, task orders, delivery orders, etc.}*
- The solicitation and contract must also include the current version of MIL-STD-130, which establishes the criteria for marking the items. *{The UII component data elements, at a minimum, shall be contained in a two-dimensional (2D) Data Matrix in the syntax of ISO/IEC 15434 and must be affixed to the item via either a label, laser etching, acid etching, or other permanent method.}*
- Electronic submission of the IUID data is required once an item is delivered to the Government.
- Wide Area Workflow (WAWF) is a secure web-based application required for electronic receipt, acceptance, and invoicing. It is also the preferred method of transmitting the UII and its pedigree data to the IUID Registry. Alternatives for direct submission of data to the IUID Registry are available for contractors that are unable to use WAWF.

CLIN structure is very important.

Contract Line Items (CLINs) and Sub Line Items (SLINs) are established when the contract is structured prior to award. IUID requires greater care in application of rules for writing contracts and structuring line items. Either a CLIN, SLIN or ELIN should be assigned to each type of item (e.g. part number) for which the Government would take delivery either during performance or at completion of the contract.

What about subcontracts?

IUID is mandatory for all DoD solicitations and contracts that require delivery of items. The policy states that Prime Contractors are required to flow the IUID requirement down to their suppliers. This is accomplished by including the IUID clause in all subcontracts, so that items received from suppliers meet the requirement. Alternatively, other marking agreements with suppliers can be established.

Are there any exceptions?

IUID is mandatory for all DoD solicitations and contracts that require delivery of items, including those for foreign customers.

DFARS 211.274-2 (b):

The contractor shall not be required to provide DoD unique item identification if—

- The Head of the Agency has determined that the items are to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack. *{Refers to emergency or "urgent and compelling" response to, prevention of, or recovery from attacks.}*
- When an acquisition will be conducted under the regulations in FAR Part 8 or Part 12, and the item to be acquired is a commercial item or will be acquired from a small business concern, a Determination and Finding (D&F), concluding that it is more cost effective for the Government requiring activity to assign, mark, and register the UII after delivery, can be executed, which will waive the requirement under that solicitation/contract. *{If this exception is granted, it must also include an alternative strategy to meet the requirement concurrent with, or promptly after delivery of the item, and should be implemented only if significant cost and schedule advantages would be realized by the Department.}*
- The D&F must be executed by the Component Acquisition Executive for an Acquisition Category I program.
- The D&F must be executed by the Head of the Contracting Activity for all other acquisition category programs.
- A copy of the D&F must be submitted to the UID Program Management Office.



Does the clause apply to DoD orders through GSA Federal Supply Schedules, or other multiple award, indefinite-delivery/indefinite-quantity (IDIQ) contracts?

The policy is mandatory for all DoD-issued solicitations, contracts, and orders, which includes orders through GSA contracting vehicles or other multiple award, IDIQ contracts. The DFARS clause 252.211-7003 should be added to the Statement of Work (SOW) or Statement of Objectives (SOO), and must identify those items under \$5,000 that require item unique identification. If the IUID requirements and DFARS language are properly included, there should be no need for a separately priced line item.

GSA IUID Solutions

Several low-cost marking services that could provide IUID solutions are available, and GSA has established a Special Item Number (SIN) under Schedule 81-1B — Shipping, Packing, and Packaging Supplies, for IUID support services. Contracts awarded under the IUID SIN provide readily available sources that offer automated marking capabilities compliant with MIL-STD-130; data submission services as part of the material shipping, inspection and receiving process; data warehousing; consulting and training services; and more.

For More Information

The DoD DPAP-IUID program office has provided numerous resources and tools to assist in the implementation of IUID.

DoD DPAP-IUID Homepage

For more information about the IUID Program, please visit:
<http://www.uniqueid.org>

IUID Registry

For additional information regarding data submission to the IUID Registry, please visit: <http://www.acq.osd.mil/dpap/UID/DataSubmission.htm>

DAU UID Special Interest Area

<https://acc.dau.mil/uid>

IUID Toolkit and Tutorial

For an overview of the IUID technology and policy, please visit:
<http://www.iuidtoolkit.com/overview>

The UID PMO sponsors a number of educational UID Forums and BootCamps to help with IUID implementation. For the latest conference information, please visit <http://www.UIDforum.com>.

Still have questions about IUID? To contact the helpdesk, please call (703) 848-7314 or email info@uniqueid.org