



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE  
3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

DEC 31 2007

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(POLICY AND PROCUREMENT), ASA (ALT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(ACQUISITION AND LOGISTICS MANAGEMENT), ASN  
(RDA)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(ACQUISITION), SAF/AQC

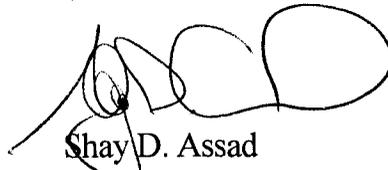
SUBJECT: Report on Service Surcharges for Purchases Made for Military Departments  
Through other Department of Defense Agencies

Section 813 of the National Defense Authorization Act for Fiscal Year 2006 Public Law 109-163 required the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD (AT&L)) to review and report on service charges imposed on one component of the Department for purchases made through another component of the Department. Due to the lack of availability of an automated retrieval system, the information requires manual collection. The report is requested for Fiscal Years 2005 and 2006. The data is for all actions greater than the Simplified Acquisition Threshold of \$100,000, where fees were paid to another DoD component for contracting services. We request you include in your report the name of the contracting activity, the amount of the service charge and the explanation of services received for the service charge. A template is attached for your use. Your office is required to submit the report no later than 7 February 2008 to my Action Officer identified below.

In order to facilitate future automated data collection, areas for improvement have been identified and we are working several solutions. The Department is reviewing two DOD-wide data collection points. On the financial side, we are working with the OSD Comptroller on an intergovernmental transaction solution that will, in time, enable us to capture the relevant data. On the procurement side, the Federal Procurement Data System-Next Generation (FPDS-NG) currently does not capture detailed data on service charges. As a result, the Department requested changes to the FPDS-NG to capture this information on a federal government-wide basis. Coordination with GSA is in process on this initiative.



The point of contact for this memorandum is Ms Adams, Senior Procurement Analyst, who can be reached at 703-602-0764 or via e-mail at [delia.adams@osd.mil](mailto:delia.adams@osd.mil) .

A handwritten signature in black ink, appearing to read 'S. Assad', with a stylized flourish at the end.

Shay D. Assad  
Director, Defense Procurement  
and Acquisition Policy

Attachments:  
As stated

