



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE  
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WASHINGTON, DC 20301-3010

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MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY  
(ACQUISITION, LOGISTICS AND TECHNOLOGY)  
ASSISTANT SECRETARY OF THE NAVY  
(RESEARCH, DEVELOPMENT AND ACQUISITION)  
ASSISTANT SECRETARY OF THE AIR FORCE  
(ACQUISITION)  
DIRECTORS OF DEFENSE AGENCIES

SUBJECT: Standard Procurement System (SPS) Deployment Requirement and Initial  
DoD Procurement Data Strategy

References: (a) Defense Business Systems Acquisition Executive (DBSAE)  
memorandum, no subject, January 3, 2007  
(b) Acting USD(AT&L) memorandum, "Standard Procurement System  
Deployment," July 14, 2004

The SPS, version 4.2.2, consisting of the Procurement Desktop-Defense application and supporting products, is currently deployed to more than 290 server/700 database sites and 21,000 DoD users worldwide. In January, the DBSAE determined (reference (a)) that continued development and deployment of a Web-based version (4.2.3) of SPS be discontinued. In view of this decision, the policy established by reference (b) on mandatory use of SPS throughout the Department is revised as follows:

- Until further notice, SPS shall continue as the contracting capability for current SPS users, and the Components are not to deploy other contracting system capabilities without the approval of the Co-chairs of the Defense Sourcing Portfolio (DSP) Steering Committee. Current users of other legacy contracting systems may continue to use those systems.
- Modifications and upgrades to legacy capabilities are permitted, provided they are made in accordance with required investment review procedures and take into consideration compliance with regulations, Department policies on data standards, the current version of the Business Enterprise Architecture (BEA), and the attached Initial DoD Procurement Data Strategy.
- Organizations that currently do not use contracting systems or use non-SPS systems requiring replacement should pursue the deployment of contracting solutions, subject to the approval of the Component's Senior Procurement



Executive (or designated Head of the Contracting Agency for Joint Contingency Operations), that comply with regulations, Department policies on data standards, the latest version of the BEA, and the attached Initial DoD Procurement Data Strategy. The Component shall advise the DSP Co-chairs when new systems are deployed.

My point of contact is Ms. Lisa Romney, at 703-602-8675, [lisa.romney@osd.mil](mailto:lisa.romney@osd.mil).



for Kenneth J. Krieg

Attachment:  
As stated

## **Initial Department of Defense (DoD) Procurement Data Strategy**

In order to support the mission and the business transformation goals of the Department, it is essential that the DoD procurement community establish and document an enterprise level procurement data strategy and associated data structures and business rules. As such, this document establishes the objectives and assumptions of the procurement data strategy, and outlines planned required business rules and interfaces. These items will be developed over time and instituted in both upcoming policy issuances (e.g., DoD Instruction, Federal Acquisition Regulations (FAR)) and the Department's Business Enterprise Architecture (BEA). Systems and applications that are deployed in the Department to support various contracting capabilities will be required to implement and be consistent with these items.

The objectives of the procurement data strategy include:

- Continuously improve data quality
- Maximize ability to leverage data from various sources/systems
- Improve visibility and monitor quality of business processes
- Establish and enforce internal controls
- Improve interoperability and enforce standards
- Improve ability to make strategic business decisions
- Improve enterprise workload management

These outcomes of this strategy are envisioned to better enable the goals of such efforts as joint basing and strategic sourcing that are directly supported by the procurement capability.

As the procurement data strategy matures, the following assumptions are made:

- Contracting systems must support a common data structure
- The goal is realized of contracting systems not carrying financial data (i.e. line of accounting) in the future through the successful implementation of the Standard Financial Information Structure (SFIS) in DoD
  - The Demand Unique Identification (DUID) concept and DUID Registry will be implemented
  - The accounting processes will establish records in the DUID Registry as commitments and obligations are recorded
- Pre-award procurement data is managed and stored below the enterprise level in accordance with Component processes with few identified exceptions
- Procurement data and associated systems associated with classified or contingency transactions may require exceptions to the developed data strategy

This initial data strategy also outlines the planned DoD-enterprise capabilities, requirements, and interfaces/integrations for systems and applications used by the Components with procurement authority for FAR-based contracting.<sup>1</sup> It is important to

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<sup>1</sup> See the FAR 2.101 for definitions of "contract" and "contracting".

note that the data strategy will not address all system requirements inherent in completing contracting tasks that users may conduct. Nor does it focus on the identification of all FAR and Defense FAR Supplement (DFARS) procedures, rules, options, and exceptions related to contract actions themselves. The emerging data structures and business rules will target the enterprise touch-points system performing contracting tasks would interact or exchange information with other federally or DoD required applications and users, systems, or processes. As such, the developed data strategy will address business rules, data structures and formats, as well as interfaces that support overall federal and DoD-level objectives that will be required of any system performing contracting tasks in or for the Department. These include required interfaces with DoD enterprise systems within the Defense Sourcing Portfolio (DSP) managed by the Business Transformation Agency (BTA) noted below. Planned required processes, business rules, and interfaces / integrations include:

- Document Numbering
- Contract Line Item Numbering
- Purchase Request Processing
- Funds Validation
- Clause / Provision Standardization
- Producing a Contract and/or Modification Data File
- Implementation of the Standard Financial Information Structure (SFIS)
- Federal Interfaces / Integrations
  - Central Contractor Registration (CCR)
  - Excluded Parties List System (EPLS)
  - Federal Business Opportunities (FBO)
  - Federal Procurement Data System – Next Generation (FPDS-NG)
  - On-line Representations and Certifications Application (ORCA)
  - Past Performance Information Retrieval System (PPIRS)
  - Wage Determinations On-Line (WDOL)
- DoD Interfaces / Integrations
  - Contract Performance Appraisal Reporting System (CPARS)
  - Electronic Document Access (EDA)
  - Wide Area Workflow (WAWF)

#### Planned Procurement Data Strategy Milestones:

- Initiate formal coordination of policy requirement to enforce use of existing enterprise Defense Sourcing Portfolio (DSP) systems including those integrations listed above – September 2007 (Draft DoD Instruction(s)).
- Establish initial draft data standards for contracts, modifications, orders and system interfaces for interim and target environments – January 2008. Appropriate changes will be incorporated into the BEA in future scheduled releases.

Additionally, reference the following sites/documents as applicable for additional information related to the procurement data strategy.

<b>Reference Document</b>	<b>Source Location</b>
Federal Acquisition Regulation (FAR)	<a href="http://acquisition.gov/far/index.html">http://acquisition.gov/far/index.html</a>
Defense FAR Supplement (DFARS)	<a href="http://www.acq.osd.mil/dpap/dars/dfars/index.htm">http://www.acq.osd.mil/dpap/dars/dfars/index.htm</a>
Federal Acquisition Requirements Document <sup>2</sup>	Not available at this time on-line.
DoD Business Enterprise Architecture (BEA)	<a href="http://www.dod.mil/bta/products/beat.html">http://www.dod.mil/bta/products/beat.html</a>
Standard Financial Information Structure (SFIS)	<a href="http://www.dod.mil/dbt/sfis_resources.html">http://www.dod.mil/dbt/sfis_resources.html</a>

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<sup>2</sup> This document will establish minimum testable requirements for systems performing contracting tasks for the federal government. Version 1.0 was published in the Federal Register for comment in January 2006.