



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

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MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Product Service Code Selection Tool

- References: (a) Director, Defense Pricing memorandum, "Taxonomy for the Acquisition of Services and Supplies & Equipment," dated August 27, 2012
(b) Director, Defense Procurement and Acquisition Policy and Deputy Chief Financial Officer memorandum, "Product Service Code to Object Class Code Crosswalk, Version 1.0," dated April 14, 2014
(c) Deputy Chief Financial Officer memorandum, "Requirement to Record the Office of Management and Budget Object Class Codes and Product Service Codes on All Purchase Requests and Commitments," dated February 24, 2015

I am pleased to announce that our newest resource, the Product Service Code (PSC) Selection Tool, has completed beta testing and is in production. This tool is designed to be a resource to the procurement community and other government data stakeholders, and is available at <https://www.psctool.us>.

Contract data quality is critical to analyze, forecast, and manage Department of Defense (DoD) spending. One component of contract quality is the selected PSC that represents the goods or services being procured. Selecting the most appropriate PSCs applicable to contract line items is challenging, in part because there are over 3,000 from which to choose. This tool is designed to save time and increase PSC-selection consistency across the Department. The tool groups PSCs by DoD's taxonomy for the acquisition of services and supplies (see reference (a)) to speed the process of selection, and includes a key word search capability as an alternate or complementary selection method.

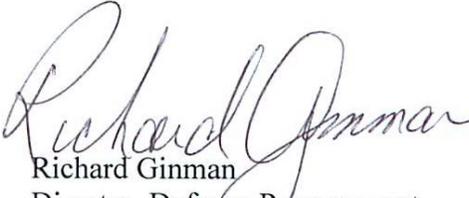
The tool provides a crosswalk from PSCs to budgetary object classification codes. It enables version 1.0 of the Product Service Code to Object Class Code Crosswalk announced in

reference (b), and will be updated as new versions are released. Users may search by Object Class for related PSCs to ensure that funds are being appropriately related.

An additional feature to the tool is it provides recommended North American Industrial Classification System (NAICS) codes for many PSCs. NAICS codes are used in government procurement to identify types of industries in order to determine small business size and other socio-economic statuses. Although there is no formal linkage between the list of NAICS codes and list of PSCs, the tool suggests the NAICS codes that best align with a given PSC where possible. This assists users in determining the appropriate NAICS code by connecting the code to what is actually being procured.

Finally, for your system providers, the mapping files in machine readable formats and Application Programming Interfaces (APIs) to enable system integration with the tool are also available. They are found by clicking on the link at the bottom of the homepage.

My action officer for the PSC Selection Tool is Lisa Romney, janice.l.romney.civ@mail.mil, 703-697-4396, if you have any questions or comments. Users may also submit comments and suggestions on the tool's homepage.



Richard Ginman
Director, Defense Procurement
and Acquisition Policy