



OFFICE OF THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

JUL -8 2010

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Action Plan for Automating Required Federal Agency Report of Department of Defense Expenditures Funded by the American Recovery and Reinvestment Act of 2009

The Department continues to transform its business processes and integrate its business systems. Meanwhile it is expected to continue day-to-day business activities with little to no disruption, while adhering to the most current policies available. The American Recovery and Reinvestment Act (ARRA) of 2009 brought a great amount of change in the way business is conducted in the Department of Defense (DoD). The changes have had a significant effect on our contracting and financial management workforce in terms of increased reporting and transparency requirements.

The Office of the Under Secretary of Defense (OUSD) (Acquisition, Technology & Logistics) Director, Defense Procurement and Acquisition Policy (DPAP) and the OUSD(Comptroller) Deputy Chief Financial Officer/Business Integration Office (BIO) worked jointly with the Business Transformation Agency (BTA) to mitigate these effects. An automated process was developed for producing the required weekly Federal Agency Report of DoD Expenditures funded by the ARRA.

The plan in Attachment A outlines the integration of e-Business tools across the DoD contracting and finance communities. This integration creates the system architecture necessary to achieve federal ARRA reporting compliance. Please note that the automated process described in Attachment A pertains only to contract awards and does not include grant/assistance awards.

In order to best support the plan and ensure the ARRA data is transmitted effectively within the end-to-end process, the following actions shall be taken:

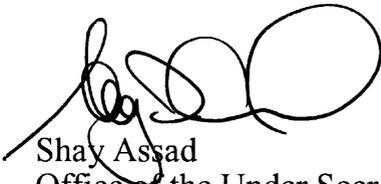
1. The Components shall coordinate with their appropriate Contract Writing System (CWS) Program Management Offices to send all Recovery Act Electronic Data Interface 850 (award) transaction sets for ARRA contract actions awarded prior to the date on this memo to the Electronic Document Access (EDA) program. This will capture the Treasury Account Symbol



as a discrete data element to further refine data, reduce data redundancies, and streamline Fiscal Year 2009 / 2010 Recovery Act reporting.

2. To insure all current and future awards and/or modifications are sent to EDA, DPAP shall develop a performance scorecard to measure and monitor the transactional performance of each Component's level of successful integration between their CWS and the EDA program.
3. Senior Procurement Executives (SPE), their respective CWS Program Management Offices, and the Standard Procurement System Joint Program Management Office shall work with DPAP and BTA to perform root-cause analysis of all high-priority concerns identified by the scorecard, effective immediately. We request that progress to resolve any concerns be reviewed with our leads identified in this memorandum and the Component SPE on a monthly basis until satisfactory integration is achieved.

Thank you for your special attention to ensure our ARRA awards are reported accurately, efficiently, and with less burden on our contracting and financial communities. Questions and comments may be directed to our action officers for this effort: Mr. Bruce Propert (bruce.propert@osd.mil, 703-602-8032) and Ms. Lisa Romney (lisa.romney@osd.mil, 703-602-8007) at DPAP/Program Development and Implementation; and Mr. Joseph Doyle (joseph.doyle@osd.mil, 703-614-3523) at BIO.



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(Acquisition, Technology & Logistics)
Director, Defense Procurement and
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Mark E. Easton
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Attachment:
As stated

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cc:

Administrator, Office of Federal Procurement Policy

ATTACHMENT A
(November 30, 2009)

ARCHITECTURE TO ACHIEVE REQUIRED FEDERAL AGENCY REPORTING OF
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 EXPENDITURES

Background:

Following the publication of the Office of Management and Budget's (OMB) initial implementation guidance for the American Recovery and Reinvestment Act (ARRA) (18 February 2009) and all succeeding guidance, the Department has released several iterations of its own formal policy guidance and instructions for reporting and posting Recovery funded awards to supplement the latest OMB guidance. The latest guidance published by Defense Procurement and Acquisition Policy (DPAP) ([19 August 2009](#)) can be found online at the DPAP eBusiness webpage for Federal Procurement Data System – Next Generation (FPDS-NG).

In support of the objectives outlined in this memorandum, it is imperative that the contracting community continue to follow the Office of the Secretary of Defense guidance referenced above and any subsequent Component guidance, while remaining cognizant of the fact that Recovery Act information will be reviewed at many levels by public and private concerns. We advise that contracting chiefs be proactive in searching for potential errors posted or reported by their respective organizations to FPDS-NG or Federal Business Opportunities (FBO). A daily static Recovery Action report is posted to each homepage of FPDS-NG and FBO and should be reviewed daily (<https://www.fpds.gov/> and <https://www.FBO.gov>).

The data input to FBO and FPDS-NG is the starting block to building the full Recovery architecture. Several pieces, both operational and planned to be operational, are involved and are described in the following section.

Applications to the Recovery Architecture:

As co-leads in developing the Recovery Architecture, working with the Business Transformation Agency (BTA), DPAP and Comptroller have determined that there are four primary applications necessary to achieve a complete near-term automated reporting process and one secondary application to improve the process over the long-term. The four primary applications are as follows:

1. Federal Procurement Data System – Next Generation (FPDS-NG) (operational):
 - a. Authoritative source for all contract award data;
 - b. Provides the unique contract identifier (i.e. - contract number);

- c. Provides all socio-economic and place of performance / congressional district data pertaining to each individual award (majority of ARRA data is captured in FPDS-NG);
2. Electronic Document Access (EDA) (operational):
 - a. Department of Defense's repository for all contracts, orders, and modifications;
 - b. Provides the Line Item Detail Information;
 - c. Provides the bridge between accounting data and contracting data via the Accounting Bridge;
3. The Accounting Bridge within EDA (operational as of JULY 2009):
 - a. Enables the receipt in EDA for all contract writing systems' (CWS) Electronic Data Interchange (EDI) 850 transaction set (award notice);
 - b. Provides the ability to parse the Treasury Account Symbol (TAS) from the long Line of Accounting (LoA) provided by the contract writing systems in the EDI 850 transaction set;
4. Business Enterprise Information Services (operational NOV 2009):
 - a. Captures expenditure data from all of the authoritative financial systems;
 - b. Provides the ability to match the Expenditure data with the Contracting data via the Accounting Bridge;

The lone secondary capability identified to improve the more long-term reporting process is the Procurement Data Standard (PDS). The PDS is a system-agnostic data standard that is intended to be adopted and implemented DoD-wide for creation, translation, processing, and sharing of procurement actions' information throughout the supply chain. Complete implementation of the data standard by procurement systems will enable EDA to store all contracting information as data, rather than as portable document formats (.PDF).

In order to accurately accomplish the Recovery Reporting process from end-to-end and achieve transparency, each Component must strive to meet a satisfactory level of transactional compliance between each application within the architecture. It is anticipated that as procurement system inputs and outputs are standardized across the Department through the extended implementation of the PDS, the Department will achieve greater transactional compliance with increased accuracy and enable the full capability to automate and support the Federal Financial Accountability and Transparency Act (FFATA) reporting process in addition to the current Recovery Act requirements. Figure 1 following demonstrates the flow of both contracting and financial data from end-to-end of the Recovery Reporting process.

Figure 1: Recovery Reporting Data Flow Mapping;

