



DEPUTY UNDER SECRETARY OF DEFENSE

3015 DEFENSE PENTAGON
WASHINGTON, DC 20301-3015

ACQUISITION AND
TECHNOLOGY

JUL 28 2009

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), ASA (ALT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION & LOGISTICS MANAGEMENT),
ASN (RDA)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
DIRECTOR, BUSINESS TRANSFORMATION AGENCY
DIRECTORS, DEFENSE AGENCIES
DIRECTORS, DOD FIELD ACTIVITIES

SUBJECT: Publication of the Procurement Data Standard (PDS), Phase II

The Procurement Data Standard (PDS) Phase I, published July 21, 2008 (reference a), covers the preferred data structure for new contract and order awards. This memorandum publishes Phase II, which establishes a method for communicating data on contract modifications and clarifies issues identified during implementation of Phase I. Future phases will define information to be converted from unstructured to structured data and address solicitations, offers, and specialized contract structures such as that for telecommunications. Phase I and II of the PDS and supporting documents can be viewed on the Defense Procurement and Acquisition Policy website at http://www.acq.osd.mil/dpap/pdi/eb/procurement_data_standard.html. An initial Concept of Operations provides a general overview of how the PDS was created, its objectives, and its intended use. The Business Rules provide detail on how data elements interrelate across the schema, while the schema itself shows relationships and allowable values for each data element. Also posted are instructions on how to review the PDS schema, and files showing samples of related data transmissions. The PDS structure will be locked down as of July 31, 2009. All future changes to the structure will be handled via our configuration management process.

Included in Phase II is the implementation of the Financial Data in Procurement policy (reference b). This policy uses the Agency Accounting Identifier (AAI) to identify the accounting system where the link between line of accounting and contract line item is kept. An upcoming Defense Federal Acquisition Regulation Supplement (DFARS)

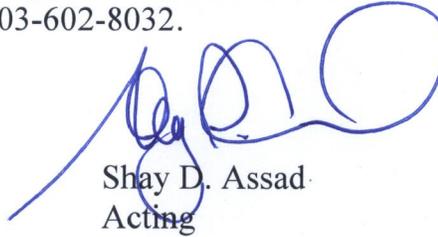
Procedures, Guidance, and Instructions (PGI) case will provide guidance on placing the AAI within the contract document. Placement shall be in Section B of the Contract Schedule.

Each component must lay out a plan for alignment to this standard in the interim and target business system environments. It is expected that all systems that perform Federal Acquisition Regulation (FAR) based procurement capabilities resulting in a contract as defined in FAR Part 2 must be able to produce outputs of contract data that conform to this standard, thus improving system interoperability, data accuracy, data visibility, and transparency. The rationale for imposing this requirement on existing systems is that the standard operationalizes existing FAR and DFARS requirements. Any system performing contracting capabilities that cannot map its output to this standard is non-compliant with the regulations.

I request that the Business Transformation Agency (BTA) take the necessary steps to complete incorporation of this standard into the next version of the Business Enterprise Architecture (BEA), and work with DPAP to establish appropriate Investment Review Board (IRB) criteria regarding its use. Additionally, I request that BTA review the Standard Procurement System (SPS) to identify any changes required to enforce the PDS edits by Q4FY09. Further, BTA must demonstrate the capability to pass a contract and modification from SPS via the Global Exchange (GEX) to the Electronic Document Access (EDA) system and display both the individual transactions and a conformed copy of the contract in EDA during Q2FY10. Finally, I ask that the Army and Air Force also ensure that their Procurement Automated Data and Document System (PADDS) and ConWrite systems, respectively, also develop extracts for modifications using the standard no later than the end of Q2FY10. While these systems were chosen due to the complexity of the contract actions they produce, I invite other systems to pilot use of the standard to pass data to EDA. Any system piloting use of the PDS should deliver, as a minimum, the outbound map from the system, a report on the gaps and potential change requests identified, identification of any potential internal control weaknesses, and identification of any proposed business rules for the systems. Any system previously working towards compliance with PDS Phase I should now migrate to incorporate the standards of PDS Phase II.

I request that the Defense Finance and Accounting Service and Defense Contract Management Agency examine the potential for improvement to processes using the richer data environment provided by the standard, and to submit a list of suggested opportunities for further development of the standard.

Please provide by September 15, 2009 an update to your previously submitted plan for how your component systems (existing and planned) will provide contract data in conformance with the standard, including your estimated timeline for compliance to Bruce Probert, bruce.probert@osd.mil, 703-602-8032.



Shay D. Assad
Acting

Reference:

- (a) DUSD A&T Memo - Publication of Procurement Data Standard, Phase I, 21 July 2008
- (b) USD A&T and USD C Joint Memo – Financial Data in Procurement, 18 March 2009