
Procure-to-Pay Capability Summary

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SUBJECT: Procurement Instrument Identifier (PIID) Rule

BACKGROUND: Federal agencies have had contract/grant/assistance award unique identifiers (IDs) of varying lengths and formats for years; DoD itself had different formats for task/delivery orders vs base contracts. The disparate numbering systems impeded successful achievement of transparency and accountability by making it difficult to trace transactions across electronic interfaces and hampered interoperability. The non-standard and non globally-unique identifiers also impeded the ability to consistently collect and properly aggregate contract data. These challenges, combined with the Digital Accountability and Transparency Act's (DATA Act's) requirements that Federal dollars obligated and expenditures be linked electronically drove standardization.

POLICY: In June 2013, DoD and the civilian agencies collaborated to change Federal Acquisition Regulation (FAR) subpart 4.16 to standardize the creation and maintenance of procurement award ID's across the federal government. The final rule, published in November 2014, established October 1, 2017 as the date by which agencies must use the new format (which was based on the DoD's existing methodology for numbering contract awards). In February 2016, Defense Pricing & Contracting (DPC) also updated Defense FAR Supplement (DFARS) subpart 204.16 to provide additional requirements governing how DoD PIIDs should be created.

DATA STANDARDS: The FAR requires that all PIIDs, including orders against indefinite-delivery vehicles, be made up of a 13-17 alphanumeric number that is a globally unique identifier. All new awards must now contain the contracting office's activity address code (AAC) in the ID's first 6 positions. To facilitate this change within DoD, DPC collaborated with the DoD Comptroller and Logistics leadership to update impacted standard transactions, including the Procurement Data Standard (PDS), Purchase Request Data Standard (PRDS), and various ANSI X12 standards.

INFORMATION TECHNOLOGY INFRASTRUCTURE: By December 2018, the DoD FM and procurement environments were updated to accommodate the new PIID format. Non-standard PIIDs may no longer be passed in the DoD environment.

IMPACT: The PIID rule facilitates standard reporting across the Federal Government, and eases data collection by Enterprise systems. Furthermore, this approach improves system-to-system communication between procurement systems and those systems that record procurement data. Last, these changes provide the ability to comply with the DATA Act reporting requirements, by allowing the Federal government to uniformly link obligation and spending data while easily identifying the procurement organization issuing the contract action.

CONTACT: Jessica Williams, OUSD(A&S)/DPC at 703-693-4845, jessica.m.williams126.civ@mail.mil