
Procure-to-Pay Capability Summary

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SUBJECT: Contract Deficiency Report (CDR) Module

To improve contract quality and the rate at which errors in contract data are identified and resolved, Defense Pricing & Contracting (DPC), formerly Procurement and Defense Acquisition Policy (DPAP), investigated current use of Contract Deficiency Reports (CDRs). After analyzing existing CDR data, DPC discovered that existing error codes, numbering over 100, were duplicative and unclear, and that the error category labeled 'other' was considerably overused. Thus, the existing structure made CDR creation, tracking and resolution needlessly complex. Beyond the shortcomings inherent to the CDR codes, the information technology (IT) infrastructure supporting the CDR module was costly to maintain and presented usability challenges. Given these challenges, DPC undertook an effort to 'standardize policy and procedures for Contract Deficiency Reports', which was endorsed by the DoD procurement executives and signed out by the Undersecretary of Defense (USD) Acquisition & Sustainment (A&S), formerly Acquisition, Technology, and Logistics (AT&L), on September 25, 2014.

POLICY: DPC updated DFARS PGI 204.2 to establish a uniform DoD CDR process, and also clarified roles and responsibilities for individuals involved in creating and resolving CDRs.

DATA STANDARDS: DPC reduced the acceptable CDR codes from over 100 to 50, by eliminating redundant or ambiguous codes. Moreover, to ensure that codes entered into the enterprise tool were clear, DPC eliminated the code 'other.' DPC staffed this list with Defense procurement leads, made updates, and published an updated list in June 2016. This list is also identified in DFARS PGI 204.270-2(c)(4)(i).

INFORMATION TECHNOLOGY INFRASTRUCTURE: In parallel to the regulatory and data efforts, a new module was developed in Wide Area Workflow (WAWF), now the Procurement Integrated Enterprise Environment (PIEE), to accomplish the needed revisions to the CDR process. These included report routing by organization (i.e. DoDAAC) instead of by user name, revising the list of codes while enabling easy updates to allowable values, capturing whether an invoice is pending on a given contract to enable prioritization, and adding an automated closing process for CDRs. This module was subsequently deployed in Fiscal Year 2016.

IMPACT: The CDR updates will facilitate the expanded use of CDRs to identify and eliminate common contract problems that complicate payment and contract administration processes. Additionally, CDR reason codes and cycle times will be monitored to enable further business process re-engineering.

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