Procure-to-Pay Capability Summary

SUBJECT: Procurement Instrument Identifier (PIID) Rule

Federal agencies have had contract/grant/assistance award unique identifiers (IDs) of varying lengths for years; DoD itself had different formats for task/delivery orders. The disparate numbering systems impeded successful achievement of transparency and accountability by making it difficult to trace transactions across electronic interfaces and hampering interoperability. The non-standard approach also impeded the ability to consistently collect data and systemically ensure its validity and quality. 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 (based on the DoD’s existing methodology for numbering contract awards). In February 2016, Defense Pricing & Contracting (DPC), formerly Defense Procurement and Acquisition Policy (DPAP), 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 to indefinite-delivery vehicles, be made up of a 13-17 character 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. The ability to identify any Federal office issuing an award by looking at the number will be essential for providing visibility over how Federal funds are spent, and ensuring that PIIDs uniquely identify actions. 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.

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