



## OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

ACQUISITION  
AND SUSTAINMENT

MAR 20 2019

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Determination of Department of Defense Contract Administration Office

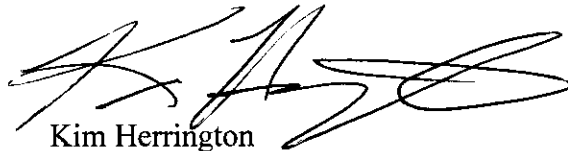
Incorrect determination of Contract Administration Office (CAO) and Payment Office on Department of Defense (DoD) contracts are two of the most frequent errors that occur on contract actions, as found through Procurement Data Standard validations and Contract Deficiency Reports. These mistakes result in manual processing and payment delays. The Defense Contract Management Agency (DCMA) is responsible for managing the list of CAOs assigned by geographic area and for specific contractor locations. However, the rules for proper CAO selection are not widely known or fully understood. In addition, the Contract Administration Services Directory, where the CAO list has historically been maintained, has limited access.

To address these issues, Defense Pricing and Contracting partnered with DCMA, the Office of the Undersecretary of Defense (Comptroller), and the Office of the Assistant Secretary of Defense (Sustainment), and the Components to re-engineer this process. The Purpose Code Management (PCM) module, deployed within the Procurement Integrated Enterprise Environment (PIEE) in November 2018, is the result of this collaboration. Within this module, the contracting community is able to look up the appropriate CAO and associated DoD Activity Address Code (DoDAAC) by the proposed contractor's Commercial and Government Entity (CAGE) Code, ZIP Code, or Country. The module will also show the available Payment Offices and associated DoDAACs as well as any exceptions to the CAO assignment. The PCM module can be accessed through the PIEE portal at <https://wawf.eb.mil/>. The module includes a new Application Programming Interface (API) that enables automated CAO queries.

Contracting officers should begin to use this tool immediately to identify the appropriate CAO and Payment Office DoDAACs to use on contract documents when delegating contract administration. DCMA will manage the CAO assignment relationships in PIEE, and this will be the authoritative source for CAO and Payment Office relationships going forward. This authoritative list will include CAOs within the Services as well as DCMA; DCMA's role within the module includes the management of Service CAOs. FAR 42.203 and DFARS 242.202 will be updated to reflect this change.

A related Contract Administration Office issue has come to light. CAO is currently a field on all Contractor DoDAAC records. It was recently changed to be a required, rather than optional, field. This change was made in error, as not all contracts are managed by CAOs. The DoDAAC database is being updated to remove this field from Contractor DoDAAC records entirely, as it is duplicative of the authoritative source: the contract. In the meantime, those needing to create or update a Contractor DoDAAC record who do not have a CAO to enter may use "HQ9999" as a placeholder value.

Thank you for your support of this critical contract data improvement initiative. My action officer for the PCM module is Ms. Lisa Romney at Janice.l.romney.civ@mail.mil or 703-697-4396. Questions regarding CAOs may be directed to Mr. Erik Mims at erik.a.mims.civ@mail.mil. Questions regarding Payment Offices may be directed to Ms. Erica Thomas at erica.e.thomas.civ@mail.mil.



Kim Herrington  
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