



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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IN REPLY
REFER TO
J627

March 08, 2012

MEMORANDUM FOR DOD ACTIVITY ADDRESS DIRECTORY (DoDAAD) PROCESS
REVIEW COMMITTEE (PRC) AND SUPPLY PRC (SPRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 477,
Component Performing Procurement/Contracting for another Component Involving
Government Furnished Property (GFP) (DoDAAD and Supply) (Staffed as PDC
503)

The attached change to Department of Defense (DOD) 4000.25-M, Defense Logistics Management System (DLMS) is approved for implementation. Changes to the procedures at enclosure (1) of the attachment are effective now. DLA Transaction Services, Army and the Air Force will complete approved changes to DoDAAD update applications on or before July 1, 2012 or advise the **DoD Activity Address Directory Process Review Committee Chair** of an alternative implementation date.

Addressees may direct questions to Robert Hammond, DoD Activity Address Directory Process Review Committee Chair, email: DODAADHQ@DLA.MIL or Ellen Hilert, Supply Process Review Committee Co-Chair, email ellen.hilert@dla.mil. Others must contact their Component designated representative.

DONALD C. PIPP
Director
DLA Logistics Management Standards

Attachment
As stated

cc:
ODASD(SCI)
DLA J7

ADC 477

Component Performing the Procurement/Contracting for Another Component Involving Government Furnished Property (GFP)

1. ORIGINATOR:

a. **Service/Agency:** DLA Logistics Management Standards, J627

b. **Originator:** Robert Hammond, DoD Activity Address Directory (DoDAAD) Process Review Committee Chair, email: DODAADHQ@DLA.MIL and Ellen Hilert, MILSTRIP Administrator, Supply Process Review Committee Chair, email: Ellen.Hilert@dla.mil

2. FUNCTIONAL AREAS: DoDAAD and Supply

3. REFERENCES:

a. DOD 4000.25-1-M, Military Standard Requisition and Issue Procedures, Chapter 11, Contractor Access to Government Supply Sources, Paragraph C11.4.3.

b. DOD 4000.25-M, Defense Logistics Management System (DLMS), Volume 2, Supply Standards and Procedures, Chapter 2, Paragraph C4.2.3.1.1.

c. DOD 4000.25-M, Volume 6, Chapter 2, Paragraphs C2.1.2.2. and C2.5.1.2.

4. REQUESTED CHANGE:

a. **Brief Overview of Change:** This change clarifies the procedures when one Component is performing the procurement/contracting service for another Component and when the contract allows the contractor access to Government supply system materiel in support of contract performance. Comment resolution is at enclosure (2).

b. Background:

(1) A portion of the 2005 Base Realignment and Closure (BRAC) decision set out to designate a single Defense Agency, acting in a joint capacity for the Military Services, as the direct interface with the logistics industrial base to leverage DOD's purchasing power with its suppliers. BRAC takes the Department of Defense one step closer to focusing its spending power on achieving long-term joint savings for the military consumer and gives defense suppliers a "single face" point of contact. Contracts by individual DOD organizations can now be replaced with DOD enterprise-wide contracts, allowing industry to streamline its government contract processes and deal with a single DOD "buyer".

(2) This change addresses the scenario where one or more Components request another Component to perform the procurement/contracting function for them and the signed contract identifies Government supply system items that are available to the contractor to

perform contract requirements. An example of such a condition is the Depot Level Repairables contracts that the Defense Logistics Agency writes for other Components in accordance with the BRAC initiative. In these cases, there is a need for the Component DoDAAD Central Service Point (CSP) of the Component requesting the contract to assign any DoD Activity Address Code (DoDAAC) used to support the requisitioning/delivery of Government Furnished Property in order for the requesting Component's Management Control Activity (MCA) to perform the management control functions. In this example, a member of the Defense Logistics Agency contracting office would request a DODAAC on behalf of the Component requesting the contract. This request would be sent to the DODAAD CSP of the Component requesting the contract and not to the DLA DODAAD CSP. The Component providing the procurement/contracting service and the Component requesting the contract must then coordinate efforts to ensure that the requesting Component's MCA has access to the necessary contract and applicable contract modification information to perform its management control and accountability functions over Government supply system materiel access. This is the process in practice today.

(3) Changes are needed to the DoDAAD data element dictionary name "Sponsor" to "Contracting Service/Agency" to reflect this practice. Moreover, "Contracting Service/Agency" and "Contract Administration Office DoDAAC" fields need to be changed from mandatory to optional data fields in the DoDAAD data dictionary and DoDAAD database update applications. These two fields are useful to some CSPs, but not to all CSPs and not in every case. At the DoDAAD Process Review Committee meeting in August 2011, CSPs indicated that in some cases data has been entered simply because it is mandatory and needed to save the record. The actual existing values are a collection of DoDAACs, offices, and Component designations.

(4) For the purposes of this change, the overarching term GFP (rather than Government Furnished Materiel (GFM)) is frequently employed. GFP encompasses Government Furnished Equipment (GFE) and GFM.

c. Approved Procedures:

(1) Revise references 3.a. and 3.b. as indicated in enclosure (1) to clarify that when one Component is performing the procurement/contracting service for another Component, the Component providing the procurement/contracting service and the Component requesting the contract shall coordinate efforts to ensure that the requesting Component's MCA has access to the necessary contract and applicable contract modification information to perform its management control and accountability functions over Government supply system materiel access. This change is for clarification only; no system changes or MCA management control functions/process, transaction format or transaction flow changes are needed.

(2) Revise reference 3.c. as indicated in enclosure (1) to clarify that when one Component is performing the procurement/contracting service for another Component, the DoDAAD CSP of the Component requesting the contract is responsible for assigning DoDAACs to the contractor when the contract provides for access to or delivery of Government supply system materiel as either GFM or Contractor Furnished Materiel (CFM). There is no change to

the DoDAAC assignment process or to CSP responsibilities or functions. CSPs will continue to use the appropriate contractor service code applicable to the Component that requested the contract be written. No system changes are needed. **Note: Army recommends that each Component Contracting office designate specific position responsibilities to coordinate DoDAAC assignment and MCA actions with the requesting Service/Agency DoDAAC CSP and MCA to ensure that the necessary communications and information are exchanged to maintain proper controls of over Government supply system materiel access (see enclosure (2)).**

(3) Change the “Contracting Service/Agency” (previously labeled “Sponsor”) and “Contract Administration Office DoDAAC” data fields from mandatory to optional in DLA Transaction Services, Army and Air Force DoDAAD web update applications. **DLA Transaction Services, Army and Air Force shall provide estimated implementation dates to DoDAAD PRC Chair if later than July 1, 2012.**

(4) CSPs review values in the “Contracting Service/Agency” (previously labeled “Sponsor”) and “Contract Administration Office DoDAAC” data fields and modify as appropriate. For those CSPs using the DLA Transaction Services web update application, this will require that DLA Transaction Services first change the fields to optional. DoDAAD PRC Chair will advise all when this capability has been implemented.

d. Alternative Considered: Assign DoDAAC CSP and MCA responsibilities to the Component or Agency that signed the contract. This was deemed disruptive to existing logistics processes and systems.

5. ADVANTAGES AND DISADVANTAGES:

a. Advantages:

(1) Clarifies that the Component providing the procurement/contracting service and the Component requesting the contract shall coordinate efforts to ensure that the requesting Component’s MCA has access to the necessary contract and applicable contract modification information to perform its management control and accountability functions over Government supply system materiel access.

(2) Clarifies that when one Component is performing the procurement/contract writing for another Component that includes the authorization for a contractor to order or receive GFP, the requesting Component’s DoDAAD CSP shall assign the DoDAACs used to requisition and/or identify delivery locations and the requesting Component’s MCA shall perform the management control and accountability functions over Government supply system materiel access.

(3) Allows CSP to enter or not enter the “Contracting Service/Agency” (previously labeled “Sponsor”) and “Contract Administration Office” DoDAAD data element as needed.

b. Disadvantages: None noted.

6. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: DLA Transaction Services, Army, and Air Force shall modify web update applications as soon as practicable. Target

completion date is July 12, 2012. Procedural changes are effective now and will be incorporated into manuals upon issuance.

7. IMPACT:

a. New DLMS Data Elements: None.

b. Changes to DLMS Data Elements: For clarity, the data element “Sponsor” is renamed “Contracting Service/Agency”. The data element definition is unchanged.

c. Publications: Revises MILSTRIP, Chapter 11, paragraph C11.4.3., DLMS Volume 2, Chapter 4, paragraph C4.2.3.1.1., and DLMS Volume 6, Chapter 2, paragraphs C2.1.2.2. C2.5.1.2.

d. Automated Information Systems: DLA Transaction Services, Army, and Air Force DoDAAD update and inquiry applications will be changed to rename the “Sponsor” data element to “Contracting Service/Agency” and identify both it and the “Contract Administration data field as optional.

Enclosure 1

Changes to Manuals

Revisions are identified by **red bold italic text**.

DOD 4000.25-M, Volume 6, Chapter 2, paragraph C2.1.2.2.

*C2.1.2.2. Contractors. Contractors may be assigned DoDAACs only if they have a contract with DOD to access DoD materiel or to provide services such as maintenance/repair that require a shipping address. Contractor DoDAACs may be assigned by CSPs only in specific DoDAAC series specified by DoD 4000.25-1-M Appendix 2.2 for contracts **assigned by-issued by their Component or issued on behalf of their Component** or Agency. Note that Washington Headquarters Service assigns contractor DoDAACs for “Other Government Contractors” under the HGC DoDAAC Series. CSPs are responsible for exercising due diligence in assigning contractor DoDAACs, including coordination with the contracting officer **and reviewing contract data** ~~and obtaining copies of contracts~~ as appropriate. CSPs are responsible for assigning the appropriate authority code for a contractor DoDAAC and for cancelling it when there is no longer an active contract associated with the DoDAAC.*

DOD 4000.25-M, Volume 6, Chapter 2, paragraph C2.5.1.2.

*C2.5.1.2. Contractor DoDAACs. Contractor DoDAACs are assigned by the CSP of the DoD Component that signed the contract with the Contractor, **except in those cases where the Component signing the contract is performing the procurement/contract writing function for another Component. In those cases where one Component is providing a contract writing service for another Component, the DoDAAD CSP of the Component requesting the contract shall assign the Contractor DoDAACs.** The CSPs will review contract expiration dates and ensure DoDAACs are deleted (inactivated from requisitioning) as of their respective contract expiration dates.*

DOD 4000.25-1-M, Military Standard Requisition and Issue Procedures, Chapter 11, paragraph C11.4.3.

*C11.4.3. It is mandatory that GFM requisitions be forwarded regardless of origin, such as contractor or S/A initiated, to the appropriate S/A MCA for validation. After validation by the S/A MCA, the MCA will forward validated requisitions to the ICP. Where the MCA and ICP are collocated, internal passing of transactions is authorized. When the MCA and ICP are not collocated, the transmission should be via DAAS, where practical. **In those instances where a Component is performing the procurement/contract writing for another Component that includes the authorization for a contractor to order or receive GFP, the Component providing the procurement/contracting service and the Component requesting the***

contract shall coordinate efforts to ensure that the requesting Component's MCA has access to the necessary contract and applicable contract modification information to perform its management control and accountability functions over Government supply system materiel access.

DOD 4000.25-M, Volume 2, Chapter 4, paragraph C4.2.3.1.1.

Purpose: C4.2.3.1.1. This section prescribes policies and procedures for requisitioning GFM/CFM by or for contractors from the DoD Supply System. These procedures establish guidelines for requisitioners, authorized contractors, and the DoD Components to obtain GFM from DoD inventories in support of contract requirements. These procedures also support the use of DLMS requisitioning by authorized contractors to obtain ~~material~~ materiel from Government supply sources to be used as CFM under controls established by the authorizing Component and as specified in this chapter. ***In those instances where one Component is performing the procurement/contract writing for another Component that includes the authorization for a contractor to order or receive GFP (or Army CFM), the Component providing the procurement/contracting service and the Component requesting the contract shall coordinate efforts to ensure that the requesting Component's MCA has access to the necessary contract and applicable contract modification information to perform its management control and accountability functions over Government supply system materiel access.***

Enclosure 2

Comments Resolution

Organization	PDC 503 Comment	Resolution
<p>Army</p>	<p>Comment 1: Army DoDAAD CSPs do not have access to all Army and DLA contracts. Lack of automated information systems with updated contract information prevents Army DoDAAC CSPs from performing the verification processes required to extend or cancel a contractor DoDAAC. Lack of guidance in the Army Contracting Commands regarding DoDAAC responsibilities continue to prevent Army DoDAAD CSPs from performing routine maintenance on contractor DoDAACs which prevents a contractor from fulfilling their contractual requirements. The Army recommends each “Contracting Service/Agency” designate a position to request and maintain DoDAACs to the appropriate DoDAAD CSP. Failure to designate and train such a position places undue burden on the Component DoDAAD CSP and places continuity of contract deliverables at risk when DoDAACs are not updated to coincide with contract modifications.)</p> <p>Recommend each Component designate a position to coordinate MCA procedures with the “Contracting Service/Agency DoDAAC position recommended above</p>	<p>Accepted.</p>
	<p>Commnet 2. Recommend changes to C2.1.2.2. as follows: Contractors. Contractors may be assigned DoDAACs only if they have a contract with DoD to access DoD materiel or to provide services such as maintenance/repair that require a shipping address. Contractor DoDAACs may be assigned by CSPs only in specific DoDAAC series specified by DoD 4000.25-1-M Appendix 2.2 for contracts assigned by issued by their Component or issued on behalf of their Component. (Note that Washington Headquarters Service assigns contractor DoDAACs for “Other Government Contactors” under the HGC</p>	<p>Noted and discussed with Army. Language regarding CSP obtaining copies of contacts was removed. The CSP is responsible for inactivating a DoDAACs when there is no longer an active contract. Using the expiration date, for the contract and the CSP takes appropriate action</p>

	<p>DoDAAC Series.) CSPs are responsible for exercising due diligence in assigning contractor DoDAACs, including coordination with the contracting officer and obtaining copies of contracts as appropriate. CSPs are responsible for assigning the appropriate authority code for a contractor DoDAAC and for cancelling it when there is no longer an active contract associated with the DoDAAC. notified by the Contracting Service/Agency that an active contract associated with the DODAAC no longer exists.</p>	<p>if there is no reply from the Contracting Officer. Many Component and Agency process initiate automatic deletion of DoDAACs when the expiration date has not been extended, <u>thus requiring responsiveness on the part of Contracting personnel in order maintain support.</u> See Army comment 1.</p>
Navy	Concurs as written	Noted.
Air Force	<p>Concurs with comment: Based on the fact that PDC 503 addresses a BRAC finding and we were assured that while DLA will use DLA contract numbers; DLA is aware only Air Force contracts will get AF DoDAACs. Additionally in cases where this is not the case, the AF POC will retain the ability to approve/disapprove DoDAAC requests.</p>	No change required; comment, reaffirms content and intent of change.
Marine Corps	Concurs as written	Noted.
DLA	Concurs as written	Noted.