



**DEFENSE LOGISTICS AGENCY**  
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August 17, 2016

**MEMORANDUM FOR DISTRIBUTION**

**SUBJECT: Defense Logistics Management Standards (DLMS), DoD Activity Address Directory (DoDAAD) Process Review Committee (PRC) Meeting of July 13, 2016**

The attached minutes of the DoDAAD PRC of July 13, 2016 are forwarded for your information and action as appropriate.

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**HEIDI M. DAVEREDE**  
Director  
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Attachment  
As stated

cc:  
ODASD(SCI)  
ODASD DPAP (PDI)

August 17, 2016

MEMORANDUM FOR DOD ACTIVITY ADDRESS (DODAAD) PROCESS REVIEW  
COMMITTEE (PRC)

SUBJECT: DoDAAD PRC Meeting, July13, 2016

**1. Purpose:** Defense Logistics Management Standards Office convened a focused meeting of the DoDAAD PRC on July13, 2016 at DLA Headquarters, Fort Belvoir, Virginia. Defense Collaboration Services (DCS) was used to provide real-time screen sharing of the presented materials with remote participants. Specific discussion topics are noted below. The agenda with briefings and a list of attendees and materials presented are available on the DoDAAD PRC web page at: <http://www.dlms.dla.mil/Programs/Committees/DoDAAD/dodaad.asp>

**2. Brief Summary of Discussion:** The focus of this PRC was to introduce changes and future enhancements to the DoDAAD which are critical to enabling procurement business system functionality for use of the DoDAAC by Federal Agencies for contract actions, funding, payments and grants. Tad Delaney, DoDAAD PRC Chair, facilitated the meeting discussions. The discussion topics and resulting action items are below.

**a. Introduction, DoDAAD PRC 101, and the DoDAAD Web Page**

**(1) Discussion:** The DoDAAD Chair opened the meeting by welcoming everyone and then introduced the Director of DLMSO who provided some opening remarks. The Chair introduced principals attending from ODASD SCI and ODASD DPAP, provided a few administrative comments and presented the meeting's opening series of charts. The Chair "level-set" the committee by covering the PRC policy chain of authority, governance process, stakeholders, and their respective roles in the governance of the DoDAAD. Inclusive in this portion of the brief was a summary of both Department and Service-level policies and their roles in proper governance and administration of the DoDAAD. The Chair also provided some metrics on the number of DoDAACs and RICs currently in use, and provided a brief synopsis on the topic of RIC shortage. The Chair concluded this portion of the PRC with references to the DoDAAD PRC webpage, and final comments on the purpose of this particular PRC.

**(2) Action Items:** There were no specific action items from this portion of the meeting. The only item worth noting is the shortage of RICs, but no shortage of DoDAACs.

**b. Digital Accountability and Transparency Act (DATA)**

**(1) Discussion:** Ms. Lisa Romney of ODASD DPAP provided an overview of the DATA Act. The DATA Act is the nation's first legislative mandate for data transparency. It requires the Department of the Treasury and the Office of Management and Budget (OMB) to transform U.S. Federal spending from disconnected documents into open, standardized data, and to publish that data online. New requirements starting in January and May of 2017 require the financial community to augment the reporting of awards with expenditure data and balances. Concern for protecting the

aggregation of data was mentioned and the effort to define authoritative data sources for the new data requirements/standards. In the past, Federal Agencies used DoDAACs for supply and property transactions, but now, Federal Agencies are expanding use of the DoDAAC into other business areas. Consequently, there was a significant growth over the past year in the number of Federal DoDAACs. This trend is expected to continue as more civilian agencies adopt the DoDAAD for procurement and requisitioning.

(2) **Action Items**: There were no specific action items from this portion of the meeting, but it is clear there is a need to apply stringent data requirements going forward.

#### **c. Financial Improvement and Audit Readiness (FIAR)**

(1) **Discussion**: The Chair provided an overview of FIAR and its impact to the DoDAAD. FIAR is an amalgamation of three acts: First, the Federal Managers' Financial Integrity Act (FMFIA) which requires agencies to evaluate their system of internal accounting and administrative controls and to report on the effectiveness of these controls in an annual statement of assurance. Second, the Chief Financial Officers Act charged OMB with overseeing various managerial functions and policy for information, procurement, and property management. In particular, OMB is charged with establishing government-wide financial management policies and requirements as well as monitoring the establishment and operation of financial management systems, amongst other provisions. Third, the Federal Financial Management Improvement Act (FFMIA) requires agencies to implement and maintain financial management systems substantially compliant with Federal financial management systems requirements, applicable Federal accounting standards, and the U.S. Standard General Ledger (USSGL) at the transaction level.

Nearly every business event transaction in the DoD is created with a DoDAAC. Traceability is further facilitated by common data standards (of which the DoDAAC is but one, albeit nearly universal, code). Auditability relies upon effective management internal controls, and it is critical that policy and procedures identify how and when DoDAACs are used to facilitate a Service's various business processes in systems, and how that data supports auditability.

The Chair stated accurate data depends on using discrete data elements and not hidden information embedded in address data. Management internal controls are required to meet FIAR. Component business rules need to define how the DoDAAC is used, making sure Component use of the DoDAAC is documented in Service issuances and not only defined at the DoD level. Collectively, DLMSO and the Components need to work together, but Services need to put business rules in place to meet FIAR requirements.

(2) **Action Items**: Components need to document their own unique DoDAAD processing rules. Those rules can only enhance, not replace, DoD policy guidance.

#### **d. GSA Updates**

(1) **Discussion**: Mr. Troy Gruver discussed GSA efforts over the past year. Between the middle of 2015 through March 2016, GSA created 3,378 new DoDAACs and modified 2,287 existing DoDAACs for use in FPDS-NG reporting, as part of the DATA Act implementation.

Mr. Gruver further discussed a change to GSA Advantage that will no longer utilize internally-created “G” series AACs, but will require all GSA Advantage customers to use their Component/Agency-provided DoDAACs/AACs. This is a huge shift and will impact CSPs as customers are directed by GSA to the CSPs for DoDAACs to use.

Ms. Romney noted DoD eMALL is undergoing a modernization to FedMall and when complete, will require DoDAACs for purchasing by Federal Users. The goal is to remove all pseudo DoDAACs and implement a requirement to validate the DoDAAC with the authoritative source and ensure it is authorized for purchasing. This ties to further expansion of purpose codes within the DoDAAD (e.g., Purchasing flag, Funding flag, Payment flag).

(2) **Action Items:** USTRANSCOM had a question for DLMSO: “If you are a tenet agency and you are using the Executive Agency GPC card to place an order, do you use the Executive Agency DoDAAC or your own DoDAAC?” Consensus at the meeting was Services should use their own DoDAAC.

**e. Task Analysis from Last PRC**

(1) **Discussion:** The DoDAAD Chair introduced the Analysis Task from the last PRC for CSPs to review their records for new fields added to the DoDAAD (i.e., Org Type Code, Contractor Flag, Procurement Authority, CGAC, and Agency Code).

The Chair disclosed that DLMSO analyzed all records for Org Type Code and Contractor Flag and noted the number of changes that still need to be made by CSPs and provided that data to them separately, as applicable. All-in-all, the necessary changes to the DoDAAD for these new data elements is progressing, and will require ongoing attention by the CSPs.

(2) **Action Items:** The Chair requested the CSPs take the data sets provided for action, and to stay on top of ensuring these new data elements are maintained accurate.

**f. Recent Changes, ADC 1218 CAGE Code Display.** The Chair highlighted some of the recent published changes, most of which were covered in the previously discussed Analysis Task; however, one recent change, intended as an enabler for the CSPs to ensure data accuracy, was ADC 1218 - Contractor and Government Entity (CAGE) Address Display Feature (DoDAAD).

(1) **Discussion:** ADC 1218 provides a real CAGE Code lookup capability within the DoDAAD Update Application for CSPs to ensure greater validity of not only the CAGE Code, but the address information from the CAGE that could be used for the DoDAAC.

(2) **Action Items:** There were no specific action items from this discussion; however, there was a discussion between DLMSO (Mr. Larry Tanner) and Army (Mr. Matt Rushing) regarding copying the CAGE Code address information directly into the DoDAAD. There needs to be a follow-on meeting with Army to discuss how Army is handling the Military Shipping label (MSL) character limits for each line of the address.

**g. Forthcoming Changes.** The Chair introduced several forthcoming changes, a few of which have been ongoing for some time, but have not yet been fully developed/ready for publication/implementation. The following is germane:

**(1) PDC 1046: Routing Identifier Code (RIC) and DoD Address Code (DoDAAC) Relationship (DoDAAD)**

**i. Discussion:** This PDC was originally drafted and published in 2013. It required every RIC to be associated to a DoDAAC and a reciprocal agreement that deleting a RIC would delete the corresponding DoDAAC. This would have eliminated orphaned RICs and enforced the original purpose of the RIC as a routing indicator for a DoDAAC. The Services did not agree due to the longstanding practice of misusing RICs as “mini-DoDAACs” to identify CTRs in possession of GFP. This PDC is being held in abeyance pending the outcome of ADC 1116 (one DoDAAC/one contract).

**ii. Action Items:** No action items were levied at this time, except that this PDC is tied to ADC 1116, which, once published, would necessitate publication of this PDC as well.

**(2) ADC 1116: Administrative Updates to DoDAAD contract fields (DoDAAD)**

**i. Discussion:** The purpose of ADC 1116 was to limit a contractor (CTR) DoDAAC to a single contract number. This would allow systems to referentially use the DoDAAC to provide visibility of USG property in the custody of contractors, and facilitate traceability of GFP. More importantly, it tied the CTR DoDAAC to the authority permitting a CTR to have a DoDAAC – the awarded contract – thus reducing the incidence of fraud, waste, and abuse tied to unauthorized use of the DoDAAC. This ADC was withdrawn due to gaps in DoD policy between functional domain uses of the DoDAAC, which, once addressed, will enable this ADC to be published. Implementation of this ADC, however, remains a challenge due to the Services misuse of the RIC.

**ii. Action Items.** No specific tasks were levied; however, guidance was reiterated that the Services need to aggressively develop process/system changes that eliminate reliance upon the RIC.

**(3) PDC 1212: Contractor DoD Activity Address Code (DoDAAC) Contract Period of Performance End Date (DoDAAD/Supply)**

**i. Discussion:** This change was drafted with the purpose of implementing a second date for contract period of performance. It was intended to allow the DoDAAC to continue to be used after the period of performance ended for collecting outstanding bills and warranty service. This PDC is being held in abeyance pending the outcome of ADC 1116.

**ii. Action Items:** There were no specific action items from this portion of the meeting.

**(4) PDC 1197: Front End Enabler (DoDAAD)**

**i. Discussion:** This PDC was drafted as an enabler to centralized management and decentralized execution of the DoDAAD. Workflow was discussed back in 2010, but the capability requirements and security restrictions made it all but impossible to implement. An alternative approach is being proffered to allow an automated front-end for data entry to be moved down to the end user, but keep validation and approval at the Central Service Point (CSP). This decentralizes execution and should improve both the timing and accuracy of DoDAAD data. This front-end enabler is critical to data accuracy, auditability, and the Federal Agencies' successful implementation of the DATA Act.

**ii. Action Items:** There were no specific action items from this portion of the meeting.

#### **(5) PDC 1145: DoDAAD Output Processing (DoDAAD)**

**i. Discussion:** The Chair reiterated the ongoing challenge of ensuring enterprise systems are obtaining data from authoritative sources. Regarding DoDAAD data, CSPs should be working to ensure their respective Components' systems are obtaining the data directly from the DoDAAD via an automated process (i.e., web service).

**ii. Action Items:** There were no specific action items from this portion of the meeting. CSPs should continue to identify systems that use DoDAAD data to ensure they are setup with an automated means to obtain the data.

#### **(6) PDC 1196: Implementation of DoDAAD GSA Bureau Codes (DoDAAD)**

**i. Discussion:** The Chair identified a pending change intending to help resolve internal GSA business processes which rely upon the GSA Bureau Code, a temporarily "borrowed" pseudo-sub tier for the Federal Agencies to use until such time as they actually implement the new Sub Tier field in the DoDAAD.

**ii. Action Items:** No specific action item levied. This topic will be re-visited once the Federal Agencies adopt the actual Sub Tier code.

**h. Ongoing CSP Tasks.** The Chair identified ongoing tasks that CSPs are to be actively working to resolve, including: Service Unique Processing Rules, COMMRI management, implementation of discrete data, and correcting the root conditions that lead to Interfund billing rejections and unmatched disbursements.

#### **(1) Service Unique Processing Rules**

**i. Discussion:** Over the years, various points of contact from within the Services reached out to Transaction Services to have Service-unique rules programmed within the DoDAAD. Many of these rules exist but are not documented anywhere, thus impeding future changes.

**ii. Action Items:** CSPs are to ensure they work with Transaction Services to identify where these rules are implemented to ensure (a) they are properly documented, and (b) re-validate their utility.

## **(2) COMMRI Management**

**i. Discussion:** COMMRI Management is a joint responsibility of the sender and receiver. While Transaction Services may assign the COMMRI, it is the responsibility of the Services (specifically the CSP) to manage the COMMRI for assignment/use. Recently Transaction Services created a file to track the current owner (Service/location) of a COMMRI, but the majority exist with no record or ownership documentation. Services need to take responsibility for tracking down this information and providing it to Transaction Services so the master list can be updated.

**ii. Action Items:** Services need to determine: 1) COMMRI they are using, the system using it and point of contact information. This information needs to be sent to the DoDAAD chair and Transaction Services, 2) Identify COMMRI that are no longer valid, so they can be removed. This information should be gathered and supplied within the next 60 days (due date: October 1, 2016).

## **(3) Discrete and Enhanced Data Usage**

**i. Discussion:** As part of the mandate in DODD 8190.01E to migrate from legacy MILS to Electronic Data Interchange (EDI) Standards, it is necessary to adapt that same migration from legacy DoDAAD data (i.e., MILS-based rules) to use of discrete data elements that enable modernization and the ability to referentially derive data. This will require the Services to stop embedding data in the address line (e.g., FSN in the third line of the address, starting in record position 30) and update the discrete fields.

**ii. Action Items:** Services need to identify instances where EDI could be used and make appropriate changes. Services should always be actively looking at ways to modernize the DoDAAD to proffer new fields that could harness the power and functionality of the database.

## **(4) DoDAAC Rejects for Interfund Bills**

**i. Discussion:** The root cause of the problem with rejected bills is DoDAAD validation at the front end of the process. Components/Agencies do not get real-time updates of the DoDAAD data or they are not getting all the data. Many Components have not implemented the DoDAAC Authority Code edits for offline requisitioning processes (e.g., call centers). The result of that oversight is rejected bills because the DoDAAC was invalid or not authorized to make the purchase.

**ii. Action Items:** Offline requisitioning (e.g., EMALL, EBS) needs to eliminate “FauxDAACs” (i.e., unauthorized DAACs) and validate the DoDAAC used for requisition against the authoritative source. This cannot be a “cleanup”, but a foundational change to the way business is done. Removing the “FauxDAACs” for a specific point in time will not solve the problem.

**i. DoDAAC Day**

**(1) Discussion:** DoDAAC Day was originally slated for June 2016 but was postponed until September 2016. The intended audience is senior staff with an agenda to provide a high-level review of procurement and financial management issues. Plenary sessions will be led by OSD leadership and participants will be looking into expanding the use of the DoDAAC beyond current uses.

**(2) Action Items:** There were no specific action items from this portion of the meeting.

**3.** The DoDAAD PRC Chair extends his sincere appreciation to those who participated in the PRC. The discussions were very productive. Thank you.

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Chairman  
DoDAAD PRC

Approved \_\_\_\_\_  
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