

MEMORANDUM OF UNDERSTANDING

THE FOLLOWING PROCEDURES HAVE BEEN AGREED UPON BY THE DEFENSE FINANCE AND ACCOUNTING SERVICE AND THE AIR FORCE ACQUISITION OFFICE WHEN USING DATA PROVIDED IN THE CENTRAL CONTRACTOR REGISTRATION (CCR) DATA BASE.

DFAS PAYMENT OFFICES WILL:

-First use the data provided in the DFAS Corporate EFT (CEFT) data base, by CAGE Code, as the source of EFT data for making Air Force payments. In the event a contractor is not located in the CEFT, the payment office will query the CCR using the internet address <http://www.dlsc.dla.mil>. to determine if the contractor is "ACTIVE" in the CCR. If the vendor is active, the payment office will contact the DLA Registration Assistance Office to obtain the EFT information needed (this will only be required until the CEFT is fed from the DLA CCR data base in lieu of the DISA CCR data base). In all instances, if the vendor does not reside in the DLA CCR, the invoice will be returned to the contractor, with a letter informing them to register before re-submitting the invoice.

-Upon receipt of a new contract, will first attempt to match a contractor based on the DUNS number, if provided; if not provided, then the CAGE will be used to review contractor information. If the CAGE number, and supporting data, does not match the data in the CEFT, the contract will either be returned to the contracting office or DD Form 1716, Contract Deficiency Report will be submitted. DFAS will not return a contract if a DUNS number is not provided, yet a valid CAGE is provided.

-Return contracts and any applicable invoices only in instances where the mandatory EFT FAR or DFARS clause is not provided in the contract, AND the contractor is not registered in the CCR.

-Will return contracts or invoices where the CAGE or DUNS provided does not match the contractors name, and address, i.e., returns will not be initiated for use of "&" in lieu of "and", missing hyphens, periods, or commas, Inc. in lieu of Incorporated, extra spaces, etc.

-Not use Remit-to addresses information as reason for returning contracts or invoices when payment is made by EFT.

AIR FORCE CONTRACTING OFFICES WILL:

-Ensure a valid CAGE code is provided on all contracts.

--BCAS vendor code will include a CAGE code, not a locally assigned code.

--When a code is updated from a locally assigned code to a CAGE code in BCAS, contracting will issue an administrative modification identifying the change in code. When processed through EDA, it will update DFAS records with the CAGE code allowing payment.

-Ensure that a contractor is "Actively" registered in the CCR before issuing a contract except in cases provided for in the FAR. DFARS and the Treasury implementation Instructions.

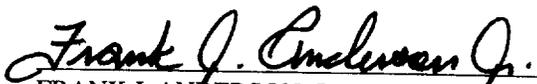
-Modify existing contracts with erroneous CAGE Codes.

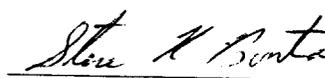
-Review BCAS data bases to determine erroneous DUNS numbers. If errors are identified, corrections will be processed, or the invalid DUNS deleted from the BCAS data base.

-Ensure that proper Mandatory EFT clause (FAR or DFARS) and Mandatory CCR Registration clause (DFARS) is provided on all new contracts.

-Not provide Taxpayer Identification Numbers or EFT data on award documents.

-Issue modifications to reflect a contractor name change when they are retaining their CAGE and DUNS number. Air Force contracting offices will ensure that the CCR is changed to reflect the name change before the modification is processed. This does not apply to mergers or acquisitions.


FRANK J. ANDERSON, Jr., Brig Gen, USAF
Deputy Assistant Secretary (Contracting)
Assistant Secretary (Acquisition)


STEVE R. BONTA
Dep Dir for Contract Pay and Disbursing
DFAS Headquarters