



OFFICE OF THE UNDER SECRETARY OF DEFENSE

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ACQUISITION AND  
TECHNOLOGY

DP/CPA

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MEMORANDUM FOR DIRECTORS OF THE DEFENSE AGENCIES

DIRECTOR FOR CONTRACTING, ASA(RD&A)  
DIRECTOR, POLICY AND RESOURCES, ASN(RD&A) ABM  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), SAF/AQC

SUBJECT: Reporting Contracting Action Data on the Individual  
Contracting Action Report, DD Form 350

In a memorandum dated November 7, 1995, to the Director, Directorate for Information, Operations and Reports requesting information from the DD Form 350 data base regarding certain acquisition reform strategic outcome metrics, we asked that the accuracy of the data in the DD Form 350 data base be confirmed by the military departments and the defense agencies. Nevertheless, in reviewing the confirmed material, we have found repeated reporting errors. This memorandum is to tell you of these errors so that they may be avoided in the future as we continue to provide this information to the Office of the Deputy under Secretary of Defense for Acquisition Reform. Changes to the Defense Federal Acquisition Regulation Supplement and the edit instructions will be proposed based on lessons learned from this activity.

We found repetitive reporting errors in the following data elements:

(1) Block B7, Type Obligation - If the contracting action is a termination for default (Block B13 is code E), the code in Block B7 normally will be code 2, Deobligation. Nevertheless, in many instances Block B7 was coded 1, Obligation. Whenever Code 1 is entered in connection with a termination for default, the codes in both Blocks B7 and B13 should be carefully reevaluated for accuracy.

(2) Block B10, Multiyear Contract - This block should be coded "Y(Yes)" only if the contracting action pertains to a contract that meets the multiyear definition at FAR 17.101. In accordance with this definition, the contract must protect the contractor "against loss resulting from cancellation by contract provisions which allow reimbursement of costs included in the



cancellation ceiling. " The fact that a contract contains options  
for future years does not per se make it a multiyear contract.

Contracts containing options should not be reported as multiyear unless the full multiyear definition at FAR 17.101 applies.

(3) Block B11, Total Multiyear Value - Pursuant to DFARS 253.204-70(b) (11) (i) (B) , this block must be left blank when the contracting action is other than a Letter Contract (code 1 in Block B13) or a Definitive Contract (code 3 in Block B13) . For all other kinds of contracting actions, including all contract modifications, Block B11 must be left blank.

Please distribute this information to all contracting personnel in your service/agency as quickly as possible to improve the accuracy of reporting.



Charles Zuckerman  
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and Administration