



ACQUISITION AND  
TECHNOLOGY

DP/CPF

OFFICE OF THE UNDER **SECRETARY** OF DEFENSE

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March 13, 1996

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES  
DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT  
**ASN (RD&A) ABM**  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), **SAF/AQC**  
DEPUTY, PROCUREMENT POLICY, **ASA (RD&A)/SARD-PP**  
DEPUTY DIRECTOR (ACQUISITION) , DEFENSE  
LOGISTICS AGENCY

SUBJECT: Accounting and Appropriation Data

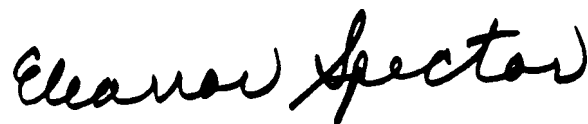
The Defense Finance and-Accounting Service (DFAS) will no longer assign so-called "dummy" Accounting Classification Reference Numbers (ACRN) to new contracts and modifications when those documents contain a discrepancy or error in the long line of accounting data. Previously, DFAS would assign a dummy ACRN as a workaround procedure in order to enter the contractual document into the Mechanization of Contract Administration Services (MOCAS) System, thus permitting contractor payments to proceed pending correction of the discrepancy. However, this workaround procedure has contributed to the Department's ongoing problem of unmatched disbursements and negative unliquidated obligations.

As of April 15, 1996, DFAS will issue a DD Form 1716 Deficiency Report for any newly received contractual document with erroneous ACRNs or accounting data. DFAS will place the affected contract/modification in a backlog status, pending receipt of a correcting modification. This means that the MOCAS System will not reflect any obligations or deobligations made by the contract or modification in question.

Obviously, payments cannot be made on a new contract that has not been entered into the MOCAS System. Moreover, the ability to make payments on a contract already in the MOCAS System could be jeopardized by a new modification that contains an error, depending upon how it impacts existing obligations.



This underscores the importance of preventing mistakes in , contract ACRNS and accounting data and, in particular, correcting mistakes in a timely manner.



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Director, Defense Procurement

cc: Director for Finance,  
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