



OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

APR 14 2008

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Update on DoD's Implementation of the Electronic Subcontracting Reporting System (eSRS)

The purpose of this memorandum is to provide an update on the Department of Defense (DoD) implementation of the Electronic Subcontracting Reporting System (eSRS). Our last memorandum on the subject, dated September 26, 2007, indicated that DoD would begin using the system in the production environment with the subcontracting reporting period beginning in Q3FY08.

Beginning with the April 2008 subcontract reporting period, DoD will initiate a three-phased approach for implementing eSRS, with full implementation planned by April 2009. During Phase I implementation, the DoD components identified below will engage with contractors to submit Individual Subcontract Reports (ISR) and Summary Subcontract Reports (SSR) using eSRS.

- Defense Contract Management Agency (DCMA) (only the Comprehensive Subcontracting Plan Test Program Division)
- Defense Finance and Accounting Service (DFAS)
- Defense Security Cooperation Agency (DSCA)
- Department of Navy (selected commands)
- Department of Army (selected commands)


With the publication of FAR Case 2005-040 in the next Federal Acquisition Circular, agencies identified in Phase 1 shall modify contracts that include the current FAR clause 52.219-9 with the revised clause in the interim rule; and also use the revised clause in new contract awards. Organizations in later phases shall modify existing contracts and use the revised clause in new awards when their sites begin eSRS implementation. Until full implementation is completed, DoD prime contractors and subcontractors should continue to submit paper Standard Forms 294, Subcontracting Reports for Individual Contracts, and 295, Summary Subcontract Reports, as required by the current version of clause 52.219-9 in their contracts. A class deviation is in process to support these procedures.

Implementation of the remaining phases is contingent on the successful completion of Phase 1, expected during Q3FY08. DoD personnel and vendors

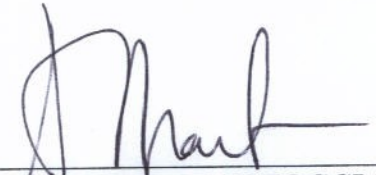


(prime contractors and subcontractors) will be formerly notified of eSRS availability and use by agencies identified for Phase 2. In the meantime, associated training has already begun for Agency Coordinators who have been involved with DoD's eSRS Implementation Team. Training will continue during Phase 1 for identified DoD personnel.

The Defense Procurement, Acquisition Policy and Strategic Sourcing staff point of contact for eSRS is Ms. Mae Bartley, mae.bartley@osd.mil, 703-602-8011. The DoD Office of Small Business Programs point of contact for eSRS is Ms. Wendy Despres, wendy.despres@osd.mil, 703-604-0157 x 145. The BTA implementation lead is Kristine Preece, kristine.preece.ctr@bta.mil, 703-607-3807.



SHAY D. ASSAD
Director, Defense Procurement,
Acquisition Policy and Strategic
Sourcing



ANTHONY R. MARTOCCIA
Director, DoD Office of Small
Business Programs

DISTRIBUTION:

COMMANDER, UNITED STATES SPECIAL OPERATIONS COMMAND
(ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION COMMAND
(ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY (POLICY AND
PROCUREMENT), ASA(ALT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY (ACQUISITION &
LOGISTICS
MANAGEMENT), ASN(RDA)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (CONTRACTING),
SAF/AQC
DIRECTORS, DEFENSE AGENCIES
DIRECTORS, DOD FIELD ACTIVITIES

DIRECTOR, SMALL BUSINESS PROGRAMS, ARMY
DIRECTOR, SMALL BUSINESS PROGRAMS, NAVY
DIRECTOR, SMALL BUSINESS PROGRAMS, AIR FORCE
DIRECTOR, SMALL BUSINESS PROGRAMS, DLA
DIRECTOR SMALL BUSINESS PROGRAMS, MDA