



ACQUISITION AND
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000



July 31, 1996

DP/CPF

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

SUBJECT : Code for Payment By Electronic Funds Transfer

By memorandum dated July 25, 1996, copy attached, I advised you of a new statutory requirement for payment by Electronic Funds Transfer (EFT). A code has been assigned to be put on contracts required to be paid by EFT. The following instructions apply to the use of that code.

For paper contracts, this code shall be included by placing the phrase "EFT: T" in the same location as the payment office address. Where possible, place this on a separate line immediately above or below the payment office address lines. Alternatively, place it in the same block, but clearly separated from the address text.

For MILSCAP transmissions, the code "T" shall be carried in the MILSCAP PAB record in positions 75-79. Routine MILSCAP procedures apply.

For transmissions in version 3050 of the X12 850 and 860 transaction sets, the code "T" shall be incorporated in the LM/LQ loop. The correct X12 data expression is: LM01=DF, LQ01=6, LQ02=T.

For transmissions in version 3010 of the X12 850 and 860 transaction sets, in lieu of the code "T," the code "E" shall be inserted in the ITD Segment, Position 14, Payment Type Code.

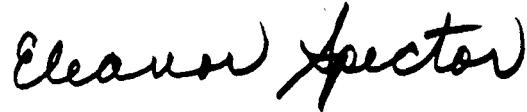
For other transmissions, including proprietary feeds, the sending and receiving system operators shall establish mutually acceptable arrangements.



ENCLOSURE(1)

Questions concerning contract usage should be directed to Mr. John Galbraith, USD(A&T)/DP/CPF (Voice: (703) 697-6710, FAX: (703) 614-1254, E-Mail: Galbrajs@ACQ.OSD.MIL) .

Questions concerning system implementation should be directed to Mr. Tom Wheel, DLA-AQAC-E (Voice: (703) 767-6394, FAX: (703) 767-6378, E-Mail: thomas_wheel@hq.dla.mil) .

A handwritten signature in black ink that reads "Eleanor Spector". The signature is written in a cursive, flowing style.

Eleanor R. Spector
Director, Defense Procurement

Attachment