

# Electronic Data Interchange



*Defense Finance & Accounting Service*

**Columbus, Ohio**

**EDI GUIDE**

**DFAS-Columbus Center**

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## ACRONYM GLOSSARY

### A

ABA	American Banking Association
ACH	Automated Clearing House
ACRN	Accounting Classification Reference Number
ANSI	American National Standards Institute
ASC	Accredited Standards Committee

### C

CAGE Code Contractor and Government Entity Code

CCR	Central Contractor Registration
CCD+	Cash Concentration/Disbursement Plus
CLIN	Contract Line Item Number
COINS	Contractor Invoice System
CSO	Customer Service Office
CTX	Corporate Trade Exchange

### D

DCMC	Defense Contract Management Command
DCAA	Defense Contract Audit Agency
DCMDE	Defense Contract Management District East
DFAS-CO	Defense Finance and Accounting Service - Columbus Center
DISA	Defense Information Systems Agency
DLA	Defense Logistics Agency
DLSC	Defense Logistic Services Center
DoD	Department of Defense
DoDAAC	DoD Automated Addressing Code
DSSN	Disbursing Station Serial Number

### E

ECPN	Electronic Commerce Processing Node (formerly Network Entry Point (NEP))
EDI	Electronic Data Interchange
EDIA	Electronic Data Interchange Association
EFT	Electronic Funds Transfer
ELIN	Exhibit Line Item Number

### F

FACNET	Federal Acquisition Computer Network
FAR	Federal Acquisition Regulations

**ACRONYM GLOSSARY *continued***

**I**

IC Implementation Conventions  
ISO International Standards Organization

**L**

LMI Logistics Management Institute

**M**

MOCAS Mechanization of Contract Administration Services

**N**

NSN National Stock Number

**P**

PIIN Procurement Instrument Identification Number (Contract Number)

**R**

REQ DES Requirement Designator

**S**

SBA Small Business Administration  
SAMMS Standard Automated Materiel Management System  
SPIIN Supplemental Procurement Instrument Identification Number (Call Number)  
SubCLIN Two character alphabetical code attached to a CLIN to provide a subdivision of the line item

**T**

TCN Transportation Control Number  
TRN Transit Routing Number

**V**

VAN Value Added Network

# SECTION 1

## WHAT IS Traditional EDI?

**Traditional Electronic Data Interchange (EDI)** is a method of moving business information electronically using a standard format. It provides a bridge between computers so the information can be passed among business partners without using paper and with minimal human involvement.

**EDI transactions are equal to paper documents** when conducting business with the Federal Government. Electronic Federal Government contracts are valid, enforceable contracts in the same manner as signed documents on paper. For Electronic Commerce (EC) Trading Partners, EDI transactions are the ordinary course of business with the Federal Government and records of those transactions will be admissible as evidence in the same manner as paper documents. Transactions transmitted via EDI are subject to all applicable statutes, the Federal Acquisition Regulations (FAR), and agency supplements to the FAR.

## EDI PROGRAM

**EDI is not new to the Department of Defense (DoD)** and its use received a major boost when DoD organizations were directed to make...*"maximum use of EDI for the paperless processing of all business-related transactions."* As a result, a Defense Management Report Decision targeted a 92% EDI implementation rate for DoD. The *Federal Acquisition Streamlining Act* requires the broad use of EC and EDI by Federal agencies. Proposed changes to these laws open the door to increased use of EC other than EDI while keeping EDI as a major EC initiative.

## FORMATS USED

**DFAS-CO uses the American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 Transaction Sets** for its EDI program. Implementation conventions (IC) describing the transaction sets are included in this guide along with data applications for the transaction sets.

**This DFAS-CO guide contains information pertaining to all current DFAS-CO EDI transactions and do not attempt to alter existing ANSI ASC X12 requirements. It applies only to business transacted with DFAS-CO.**

## PARTICIPATION REQUIREMENTS

**Participation of electronic invoicing is mandatory.** Before submitting invoices electronically, contractors must meet certain requirements, follow certain procedures, and be certified by DFAS-CO.

The specific requirements for a business are determined by the structure and complexity of the company, its existing computer software and equipment, and its plans for the future. Requirements for EDI can be simple:

## • EQUIPMENT AND SOFTWARE

### Computer:

EDI can be accomplished with as little as a personal computer.

### Telecommunications:

Telecommunications provides connectivity between your hardware and your Value Added Network (VAN).

Larger, more complex applications may require additional features and a more powerful hardware platform.

### Software:

EDI translation software will enable you to communicate with DFAS-CO and other trading partners in a standard EDI format. This software is readily available in the commercial market place for virtually all major computer hardware and operating systems. Some VANs provide translation software as part of their Value Added Services. Consider the compatibility of the software and the VAN before making your selection.

## • VALUE ADDED NETWORK (VAN):

A VAN is a commercial third party communications provider (electronic post office). For purposes of invoicing with DFAS-CO, the VAN provides a link between the contractor and the Electronic Commerce Processing Node (ECPN). The VAN will forward transactions to the ECPN and receive transactions sent by DFAS. Only VANs which have been licensed and certified by the Defense Information Systems Agency (DISA) are permitted ECPN connections.

## • TRADING PARTNER AGREEMENT DEFINITION

**The DFAS-CO Trading Partner Agreement (TPA)** is the formal agreement for exchanging data electronically with DFAS-

CO. It establishes normal operating procedures and provides a "signature on file" document that will permit DFAS-CO to eliminate the paper copy of the invoice after testing and certification are complete.

This agreement contains the provisions for participation in the DFAS-CO EDI program and includes all specific applications.

## • DFAS-CO EDI REGISTRATION

Please complete the DFAS-CO EDI Registration form and FAX or email it to our office. Information is listed at the bottom of the registration page (page 8).

When the signed DFAS-CO EDI Registration form has been received and processed, we will contact you to begin EDI testing for approval and certification. This registration is required one time only for all DFAS-CO EDI transactions.

## SECTION 1 continued

### • DFAS-CO EDI TESTING

The testing process used at DFAS-CO verifies the compatibility of the trading partners and reduces the likelihood of exchanging erroneous data. Refer to Section 2 of this guide for testing points of contact. Areas of evaluation are: communications (using the Columbus and/or Ogden ECPN) and systems.

**Communications:** The communications evaluation will ensure that the EDI addressing on each transaction is correct, the transmission successfully reaches its intended destination, and the transaction appears to be in the proper format.

Transmissions that match your EDI profile on the DFAS-CO translator will generate a 997 (Functional Acknowledgement).

**Systems:** The systems test is a visual check to verify proper format of the transaction to be processed by the payment system. If the transaction contains errors, DFAS-CO will acknowledge these by telephone or email. The contractor will then be requested to submit additional transactions to correct the errors.

When communication and system evaluations are successfully completed, vendors will be certified.

### CENTRAL CONTRACTOR REGISTRATION (CCR)

Contractors must be registered with the DISA CCR system to do business with the Federal Government.

For assistance with CCR registration contact:

**Toll Free: 1-866-606-8220**  
**Commercial: 1-334-206-7828**

Or visit web site:  
[www.ccr.gov](http://www.ccr.gov)

Registration in the CCR will sign you up for the Electronic Funds Transfer (EFT).

**NOTE: Registration with the CCR does not automatically register your company with the DFAS EDI program.**

EBS EDI Capabilities:

- 810 Invoices
- 820 Remittance Advice
- 997 Functional Acknowledgement

Via ANSI ASC X12 versions 3010 & 3050.

EBS Commercial Invoices are :

- DLA Supply Center purchases
- Identified by the paying office code below under "Payment will be made by":

**SL4701**

**810 Commercial Invoices:** EBS accepts 810 Commercial Invoices via EDI in ANSI ASC X12 version 3010 or 3050.

To obtain further information concerning submitting Commercial Invoices via EDI or begin testing, contact the DFAS Electronic Commerce Office at:

**614-693-6850**

**820 Remittance Advice:** An EDI 820 Remittance Advice is an electronic document that can be sent to you when payment is made, primarily in the case of an Electronic Funds Transfer. This document provides you with the ability to reconcile which invoices have been paid in full for any given payment.

Please check with your VAN on signing up to receive 820s.

**997 Functional Acknowledgement:** EBS provides the ASC X12 transaction set 997 via EDI and is only an acknowledgement of receipt. DFAS will transmit a 997 within 24 hours of transaction receipt:

Acknowledged transactions can be:

- Accepted
- Rejected
- Accepted with errors

## SECTION 2

### EDI DOCUMENTS AT DFAS-CO

This information is provided to help you with the Enterprise Business System (EBS) – formerly SAMMS payment system at DFAS.

#### **EBS:**

EBS is a computer system that supports the Defense Logistics Agency (DLA) wholesale supply business areas covering six commodities

## SECTION 3

<p style="text-align: center;"><b>TRADING PARTNER AGREEMENT FOR THE DEFENSE FINANCE AND ACCOUNTING SERVICE COLUMBUSCENTER</b></p>
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**Purpose:**

The purpose of this agreement is to prescribe the general procedures and policies to be followed by the Department of Defense (DoD) and contractors when using Electronic Data Interchange (EDI) techniques for transmitting and receiving information. This agreement ensures that all parties understand that EDI-created obligations are legally binding on all trading partners.

Electronic Commerce transactions are the equivalent of paper documents for purposes of conducting business with the Federal government. It has been determined that contracts entered into electronically with the Federal government by using EDI are valid, enforceable contracts in the same manner as documents signed on paper. For Electronic Commerce Trading Partners, EDI transactions will be ordinary course of business with the Federal government and therefore, records of those transactions will be admissible as evidence in the same manner as paper documents. Transactions transmitted via EDI are subject to all applicable statutes, the Federal Acquisition regulations (FAR), and agency supplements to the FAR. Neither trading partner will challenge the admissibility of the electronic information except in circumstances in which an analogous paper document could be challenged.

**Reference:**

This agreement is subject to the terms of the contract, as well as to applicable laws and regulations. Contractors should particularly note FAR 4.7, which contains records retention requirements.

**Objective:**

The DoD wishes to maximize its use of EDI when purchasing and/or paying for contractor goods or services for the account of the United States.

**Scope:**

Information exchanged through EDI will be the same as that currently required on the paper documents with the specific exception of classified information, which is excluded from the terms of this agreement. Any required signature or signatures will be electronically transmitted using a discrete authenticating code described in the transaction set.

**Additional Terms:**

The following additional terms are made part of this agreement:

The Defense Finance and Accounting Service - Columbus will not enter into an EDI relationship with a contractor until that contractor's EDI proficiently has been established.

DFAS Columbus will not provide EDI training or implementation support.

DFAS Columbus will adhere to published American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 standards for approved transaction sets and will comply with DoD implementation conventions and guidelines.

Numerous ASC X12 standards are applicable to the DoD contract payment program. As existing X12 standards are updated by ASC, DoD will determine if those updates are applicable to its EDI program. If it is necessary for DoD to upgrade an ASC X12 standard, DFAS Columbus shall provide its commercial EDI trading partners with at least 180 days notice of an intent to upgrade to a new published ASC X12 standard. If applicable, the trading partners must then upgrade to that standard within 90 days of the conversion date published by DFAS Columbus. After this time period, DFAS Columbus may discontinue support of previous versions/releases.

When initiating a new electronic trading relationship, the parties will engage in testing until they are satisfied with the integrity of electronically transmitted data.

DFAS Columbus will use reasonable automated procedures to check the transmissions for compliance with ASC X12 syntax and format standards and for lost or altered data. If DFAS Columbus finds errors in compliance or if data is lost or altered, it will inform the originator with a Functional Acknowledgement transaction set (within 24 hours after receipt of the transmission), or with a phone call or letter (within 7 days after receipt of the transmission). The transmission of either a Functional Acknowledgement or a letter in these circumstances will constitute notification to the contractor of a defective invoice under the provision of 31 U.S.C. 3903(a)(7) and as set forth in the FAR Clause 52.232.25(a)(4) Prompt Payment. DFAS Columbus will not be required to take any further steps to test for mistakes, fraud, or unauthorized transmission.

DFAS Columbus will not be deemed to have received an invoice for purposes of determining a payment date and the date upon which any late payment interest penalty shall accrue, until the date DFAS Columbus actually receives a proper invoice.

DFAS Columbus will exchange business data with contractor through third-party networks. The contractor transmission will be responsible for all third-party network charges. Contractor will be responsible for all of its hardware and software costs associated with EDI. 6

The contractor or trading partner is responsible for the integrity of their data, and communications of transactions transmitted via EDI to the Government. All contractors or trading partners are expected to provide administrative, technical, and physical safeguards against threats and hazards to the integrity, security, and confidentiality of the EDI data. Contractors or trading partners will use care to prevent loss, alteration, or unauthorized disclosure of information or data generated by or addressed to the Government.

In the event the contractor is unable to transmit transactions due to hardware or software problems estimated to last less than 72 hours, the contractor should hold their invoices until the problem is resolved. If the downtime period is longer, the contractor should immediately notify the payment office indicated on the contract and make arrangements to mail hard copy invoices. At no time shall the contractor revert to mailing hard copy invoices without first notifying the payment office.

**Force Majeure:**

No party to this agreement will be liable for failure to conduct EDI in the event of war, accident, riot, fire, explosion, flood, epidemic, power outage, labor dispute, act of God, act of Government, act of public enemy or an error of or nonperformance by, a third-party network or any cause beyond any party's control. The parties will be given 15 calendar days from the date of such occurrence to take all reasonable measures to resolve the problem. If unable to do so, this agreement will be suspended and manual processing of invoices will be initiated until parties can conduct business via EDI again.

**Limitations:**

Neither party shall be liable to the other for any incidental, exemplary, consequential damages, or prompt payment interest penalties resulting from any delay, omission, or error in electronic transmissions under this agreement. No waiver by a party of any breach or default hereunder shall constitute a waiver of any subsequent breach or default

**Express Agreement Review:**

This agreement will be reviewed as necessary by the trading partners to make any changes, additions, or deletions that may be required.

**Termination:**

This agreement may be terminated by either DFAS Columbus or the contractor, effective 30 days after written notice by either party. It also may be terminated by DFAS Columbus if the contractor's EDI performance level is unacceptable and the contractor does not correct that performance within 15 calendar days after written notification. When terminated because of unacceptable performance, the contractor may not seek renewal of the agreement before the expiration of 90 days from the date of termination, and then only by offering evidence acceptable to DFAS Columbus that performance problems have been solved. Termination will have no effect on transactions occurring prior to the effective date of termination.

**Disputes:**

All disputes difference or disagreements and/or claims between he parties arising out of this agreement that are not resolved by negotiation shall be subject to and adjudicated according to the procedures in FAR Clause 52-233-1, Disputes.

**Contractor’s Electronic Records:**

If information is maintained on a computer, the contractor shall retain the computer data on a reliable medium for the time periods prescribed in applicable regulations and underlying contracts. Contractors may transfer computer data in machine readable form from one reliable computer medium to another. Transfer procedures shall maintain the integrity, reliability, and security of the original computer data. Contractors shall also retain an audit trail describing the data transfer.

**Certifications Incorporated by Reference:**

In those instances where current payment requests require a certification by the contractor that specific requirements have been met - e.g., request has been prepared from books and records kept in the ordinary course of business, work has been performed or items have been delivered, as the request is correct to the best of knowledge and belief, etc - then the contractor's certification shall be deemed to be incorporated by reference. Each data transaction exchanged shall be deemed to contain the certification required as if a paper document had been manually executed.

Contractor agrees not to set up the lack of a hard-copy manually signed certification as a defense in case of a subsequent dispute.

**Effective Date:**

The effective date of this agreement will be the last signed date shown on the signature block of the registration page of this guide. The effective date of any change in terms, if later than this agreement, will be governed by terms under *Whole Agreement* below.

**Whole Agreement:**

This agreement constitutes the entire agreement between the parties. No change in the terms and conditions of this agreement shall be effective unless approved in writing and signed by both parties hereto. This agreement covers any and all EDI transaction sets that the parties to decide to exchange.

**TRADING PARTNER AGREEMENT FOR  
THE DEFENSE FINANCE AND ACCOUNTING SERIVCE  
COLUMBUSCENTER**

