

PGI 204.71 -UNIFORM CONTRACT LINE ITEM NUMBERING SYSTEM

Parent topic: [PGI Part 204 - ADMINISTRATIVE AND INFORMATION MATTERS](#)

PGI 204.7103 Contract line items.

(a) Separately identifiable contract line and subline items (i.e., all except those with characteristics described in DFARS [204.7103-1\(a\)\(2\)\(iii\)](#) or [204.7104-1\(a\)](#)) shall include a description of the item or service being procured, the associated Product or Service Code (PSC), the quantity, a unit of measure, defined acceptance and inspection locations and requirements, and the delivery schedule or performance period. Contracts for contingency operations shall include the project code at the line item level on each contract action. The list of applicable codes is maintained at http://www.dla.mil/j-6/dlms0/elibrary/ServicePoints/CD_ProjCd_nopoc.docx. The contracting officer is responsible for coordinating any changes from the purchase request to the contract with the requiring activity.

(1) The list of active PSCs is available on the Federal Procurement Data System website under the 'Worksite' section under 'Reference'.

(2) The list of available units of measure is on the Defense Pricing, Contracting, and Acquisition Policy website at https://www.acq.osd.mil/asda/dpc/ce/ds/docs/pds/Line_Item_UoM_List.xlsx.

(3) Delivery and acceptance locations shall be defined using Activity Address Codes published in (1) DoD Activity Address Directory (DODAAD), DoD 4000.25-6-M, or (2) Military Assistance Program Address Directory System (MAPAD), DoD 4000.25-8-M and available for verification at <https://www.daas.dla.mil/daasing/default.asp>.

(4) No activity shall be assigned acceptance responsibility unless that activity has acceptors registered in Wide Area WorkFlow (WAWF). Available roles for an Activity Address Code can be verified at the Active DoDAACs & Roles link on the WAWF homepage at <https://wawf.eb.mil/>.

(b) Fixed price line items shall include unit prices and total prices. Cost type line items shall not include unit prices, but shall contain the appropriate elements in accordance with FAR part 16. Not separately priced line items shall be so labeled. The notation "No Charge" shall not be used.

(c) The requirements at paragraph (a) and (b) shall be included in the appropriate parts of the contract Schedule.

(d) In structuring line items, especially on fixed-price contracts, due consideration shall be given to the effect of the chosen units of measure on administration and payment. No contract line item shall contain a quantity less than the number of deliveries anticipated on the line item. Contracting officers shall consider the need for periodic deliveries and payments in selecting a unit of measure. Included in this analysis shall be the impact of any financing arrangements under FAR part 32.

(i) Supplies: Line item quantities shall match the actual count of the supplies to be provided. For instance, if more than one delivery is expected, the quantity cannot be "1."

(ii) Services: Line item quantities shall match the frequency with which performance will be reviewed, and on fixed-price line items, payment made. For example, a contract with a twelve-month period of performance should have a quantity and unit of measure suited to how the contract will be managed. If the intent is to review, accept, and pay for the services monthly, then the quantity should be 12, with a unit of measure such as “Months” or “Lots.” If the intent is to review, accept, and pay for the services quarterly, then the quantity should be 4, with a unit of measure such as “Lot”. If the quantity used is 1, then no payment for delivery can occur until the end of the period of performance. Services with tangible deliveries, such as repairs, shall be structured like supply line items.

(e) The following examples illustrate when the requirements at paragraph (a) apply—

(1) Separately identifiable subline items. The rule applies to subline items 0001AA and 0001AB. It does not apply to the line item 0001, because it does not have a deliverable.

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|---------------------|----------|------|------------|---------|
| 0001 | Widgets | | | | |
| 0001AA | Red painted widgets | 6 | EA | \$10.00 | \$60.00 |
| 0001AB | Unpainted widgets | 6 | EA | \$9.50 | \$57.00 |

(2) Informational subline items. The rule applies to line item 0001. It does not apply to subline items 000101, 000102, and 000103 because they do not have deliverables.

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|----------------------------------------------|----------|------|------------|----------|
| 0001 | Widget implementation Joint Service Study | 1 | LOT | \$60,000 | \$60,000 |
| 000101 | Army funding (AA: \$20,000) | | | | |
| 000102 | Navy funding (AB: \$20,000) | | | | |
| 000103 | Air Force funding (AC: \$20,000) | | | | |

(3) Line item with no subline items. The rule applies.

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|------------------|----------|------|------------|--------|
|----------|------------------|----------|------|------------|--------|

| | | | | | |
|------|---------------------|---|----|---------|---------|
| 0001 | Red painted widgets | 6 | EA | \$10.00 | \$60.00 |
|------|---------------------|---|----|---------|---------|

(4) Line item is parent to an exhibit. The rule applies to the exhibit lines.

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-----------------------------|----------|------|------------|---------|
| 0001 | See exhibit A (\$117.00) | | | | |
| A001 | Red painted widgets | 6 | EA | \$10.00 | \$60.00 |
| A002 | Unpainted widgets | 6 | EA | \$9.50 | \$57.00 |

(5) Line is parent to a subline item which refers to an exhibit. The rule applies to the exhibit lines.

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-------------------------------|----------|------|------------|----------|
| 0001 | Widget program | | | | |
| 0001AA | Design and develop widgets | 1 | LOT | \$500.00 | \$500.00 |
| 0001AB | See exhibit A (\$117.00) | | | | |
| A001 | Red painted widgets | 6 | EA | \$10.00 | \$60.00 |
| A002 | Unpainted widgets | 6 | EA | \$9.50 | \$57.00 |

PGI 204.7103-2 Numbering procedures.

(a) Contract line items shall consist of four numeric digits 0001 through 9999. Do not use numbers beyond 9999. Within a given contract, the item numbers shall be sequential but need not be consecutive.

(b) The contract line item number shall be the same as the solicitation line item number unless there is a valid reason for using different numbers.

(c) Once a contract line item number has been assigned, it shall not be assigned to another, different, contract line item in the same contract.

PGI 204.7104 Contract subline items.

PGI 204.7104-2 Numbering procedures.

(a) Number subline items by adding either two numeric characters or two alpha characters to the basic contract line item number.

(1) *Information subline item numbers.* Use numeric characters only for information subline items, running 01 through 99. Do not use spaces or special characters to separate the subline item number from the contract line item number that is its root. For example, if the contract line item number is 0001, the first three subline items would be 000101, 000102, and 000103. Do not use a designation more than once within a contract line item.

(2) Separately identified subline items. Use alpha characters only for separately identified subline items, running AA through ZZ. Do not use spaces or special characters to separate the subline item number from the contract line item number that is its root. For example, if the contract line item number is 0001, the first three subline items would be 0001AA, 0001AB, and 0001AC.

(i) Do not use the letters I or O as alpha characters.

(ii) Use all 24 available alpha characters in the second position before selecting a different alpha character for the first position. For example, AA, AB, AC, through AZ before beginning BA, BB, and BC.

(b) Within a given contract line item, the subline item numbers shall be sequential but need not be consecutive.

(c) Exhibits may be used as an alternative to setting forth in the schedule a long list of contract subline items. If exhibits are used, create a contract subline item citing the exhibit's identifier. See DFARS [204.7105](#).

(d) If a contract line item involves ancillary functions, like packaging and handling, transportation, payment of state or local taxes, or use of reusable containers, and these functions are normally performed by the contractor and the contractor is normally entitled to reimbursement for performing these functions, do not establish a separate subline item solely to account for these functions. However, do identify the functions in the contract schedule. If an offeror separately prices these functions, the contracting officer may establish separate subline items for the functions; however, the separate subline items must conform to the requirements of DFARS [204.7104-1](#).

(e) The following examples illustrate subline items numbering—

(1) Subline items structured to identify destinations for identical items, identically priced (delivery schedule shall be established for each subline item, not the contract line item).

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|-------------|------------------|----------|------|---------------|--------|
|-------------|------------------|----------|------|---------------|--------|

| | | | | | | |
|--------|-----------------------------------------------------------------------------------------------------------------|----|----|----------|------------|--|
| 0001 | NSN 1615-00-591-6620 Shim, Aluminum Alloy,... Appl, Rotor, Helicopter PRON A1-9-63821-M1-M1 ACRN:AA | | | | | |
| 0001AA | A3168R-9030-4025 A2537M IPD: 2 RDD: 334 PROJ: 501 | 10 | EA | \$100.00 | \$1,000.00 | |
| 0001AB | A3168R-9030-4026 A51AXBM IPD: 2 RDD: 325 PROJ: 502 | 10 | EA | \$100.00 | \$1,000.00 | |
| 0001AC | A3168R-9030-4027 A67KBCM IPD: 2 RDD: 349 PROJ: 503 | 15 | EA | \$100.00 | \$1,500.00 | |

(2) Subline items structured to identify destinations for identical items, not identically priced (delivery schedule shall be established for each subline item, not the contract line item).

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT | |
|----------|-----------------------------------------------------------------------------------------------------------------|----------|------|------------|------------|--|
| 0001 | NSN 1615-00-591-6620 Shim, Aluminum Alloy,... Appl, Rotor, Helicopter PRON A1-9-63821-M1-M1 ACRN:AA | | | | | |
| 0001AA | A3168R-9030-4025 A2537M IPD: 2 RDD: 334 PROJ: 501 | 10 | EA | \$100.00 | \$1,000.00 | |
| 0001AB | A3168R-9030-4026 A51AXBM IPD: 2 RDD: 325 PROJ: 502 | 20 | EA | \$99.00 | \$1,980.00 | |
| 0001AC | A3168R-9030-4027 A67KBCM IPD: 2 RDD: 349 PROJ: 503 | 30 | EA | \$98.00 | \$2,940.00 | |

NOTE: Difference in prices for identical items is due to separate destinations for FOB destination delivery.

(3) Subline items structured to identify different sizes of an item that are identically priced (delivery schedule shall be established for each subline item, not the contract line item).

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-------------------------------------------------------|----------|------|------------|-------------|
| 0013 | Boots Insulated, Cold Weather White, Type II, Class 1 | | PR | \$38.35 | \$13,422.50 |
| 0013AA | 8430-00-655-5541 Size 5N | 50 | | | |
| 0013AB | 8430-00-655-5544 Size 8N | 70 | | | |
| 0013AC | 8430-00-655-5551 Size 9N | 30 | | | |
| 0013AD | 8430-00-655-5535 Size 9R | 200 | | | |

NOTE: Unit price and total amount shown at line item level rather than at subline item level.

(4) Subline items structured to identify different sizes of an item that are not identically priced (delivery schedule shall be established for each subline item, not the contract line item).

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------|----------|------|------------|--------------|
| 0002 | Body Armor Ground Troops Variable Type Small Arms, Fragmentation Protective Nylon Felt Vest, Front and Back Plates, Ceramic Plate, Type I | | | | |
| 0002AA | First Article | 1 | LO | NSP | |
| 0002AB | 8470-00-141-0935 Medium Regular | 1936 | SE | \$331.77 | \$642,306.72 |
| 0002AC | 8470-00-141-0936 Large Regular | 625 | SE | \$355.77 | \$222,356.25 |

| | | | | | |
|--------|-------------------------------------|------|----|----------|--------------|
| 0002AD | 8470-00-141-0937, Medium Long | 1237 | SE | \$346.77 | \$428,954.49 |
| 0002AE | 8470-00-141-0938, Large Long | 804 | SE | \$365.77 | \$294,079.08 |

(5) Subline items structured to provide the capability for relating subordinate separately priced packaging costs to the overall contract line item. (Separate delivery schedules shall be established for the subline item identifying the contractor's product and for the subline item identifying packaging. No schedule will be established for the contract line item.)

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-------------------------------------------------------------------------|----------|------|------------|------------|
| 0001 | 6105-00-635-6568 50380 Ref No 63504-WZ Armature Motor ACRN: AA | | | | |
| 0001AA | 6105-00-635-6568 50380 Ref No 63504-WZ Armature Motor ACRN: AA | 2 | EA | \$2,895.87 | \$5,791.74 |
| 0001AB | Packaging ACRN:AA | 2 | EA | \$289.58 | \$579.16 |

(6) Subline items structured to identify different accounting classifications for identical items (delivery schedule shall be established for each subline item, not the contract line item).

AJ: 17X150518350315069100000192B000000000000000000

AK: 17X150518370317569100000192B000000000000000000

AL: 17X150519350314369100000192B000000000000000000

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|--------------------------------------------|----------|------|------------|------------|
| 0002 | Pulse Decoder KY-312/A5Q-19 | | EA | \$3,037.40 | |
| 0002AA | Pulse Decoder KY-312/A5Q-19 ACRN: AJ | 2 | | | \$6,074.80 |

| | | | | |
|--------|--------------------------------------------|---|--|-------------|
| 0002AB | Pulse Decoder KY-312/A5Q-19 ACRN: AK | 6 | | \$18,224.40 |
| 0002AC | Pulse Decoder KY-312/A5Q-19 ACRN: AL | 2 | | \$6,074.80 |

NOTE: Unit price may be shown at line item level and total amounts shown at subline item level.

(7) Informational subline items established to identify multiple accounting classification citations assigned to a single contract line item.

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-------------------------------|----------|------|-------------|-------------|
| 0001 | Air Vehicle | 1 | EA | \$6,700,000 | \$6,700,000 |
| | 000101 ACRN:AA \$3,300,000 | | | | |
| | 000102 ACRN:AB \$2,000,000 | | | | |
| | 000103 ACRN:AC \$1,400,000 | | | | |

(8) Subline items structured to identify parts of an assembly (delivery schedule and price shall be established for each identified part at the subline item level, not for the assembly at the contract line item level).

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|-------------------------------------------------------------------------------------------|----------|------|-------------|--------------|
| 0003 | Automatic Degaussing System Consisting of: (2 ea @ \$52,061; \$104,122 total) | | | | |
| 0003AA | Switchboard | 2 | EA | \$52,061.00 | \$104,122.00 |
| 0003AB | Remote Control Panel | 2 | EA | NSP | |

| | | | | |
|--------|----------------------------------------------------------|---|----|-----|
| 0003AC | Power Supply (M Coil) SSM Type 145 Amps, 220 V DC) | 2 | EA | NSP |
|--------|----------------------------------------------------------|---|----|-----|

| | | | | |
|---|---|---|---|---|
| * | * | * | * | * |
|---|---|---|---|---|

| | | | | |
|--------|-----------------------------------------------------------|---|----|-----|
| 0003AF | Power Supply (A Coil) SSM Type (118 Amps, 220 V DC) | 2 | EA | NSP |
|--------|-----------------------------------------------------------|---|----|-----|

(9) Subline items structured to identify parts of a kit (delivery schedule and price shall be established for each identified part at the subline item level, not for the kit at the contract line item level).

| ITEM NO. | SUPPLIES/ SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|----------------------------------------------------------------------------------------------------------------------------------|----------|------|-------------|--------------|
| 0031 | Conversion Kit to Convert Torpedo MK 45 Mod 0 to Torpedo MK 45 Mod 1 (50 Kt @ \$10,868.52; \$543,426 total) | | | | |
| 0031AA | Integrator Assy LD 620106 | 50 | EA | \$10,868.52 | \$543,426.00 |
| 0031AB | Pulse Generator Assy LD 587569 | 50 | EA | NSP | |
| 0031AC | Drive Shaft Assy LD 587559 | 50 | EA | NSP | |
| * | * | * | | | * |
| 0031BF | Actual Panel Assy LD 542924 | 50 | EA | NSP | |

NOTE: In this example, the prices of subline items 0031AB through 0031BF are included in the Integrator Assembly.

PGI 204.7105 Contract exhibits and attachments.

(a) Use of exhibits.

- (1) Exhibits may be used instead of putting a long list of contract line items or subline items in the contract schedule. Exhibits are particularly useful in buying spare parts.
- (2) When using exhibits, establish a contract line or subline item and refer to the exhibit.
- (3) Identify exhibits individually.
- (4) Each exhibit shall apply to only one contract line item or subline item.
- (5) More than one exhibit may apply to a single contract line item.
- (6) Data items on a DD Form 1423, Contract Data Requirements List, may be either separately priced or not separately priced.
 - (i) Separately priced. When data are separately priced, enter the price in Section B of the contract.
 - (ii) Not separately priced. Include prices in a priced contract line item or subline item.
- (7) The contracting officer may append attachments to exhibits, as long as the attachment does not identify a deliverable requirement that has not been established by a contract line item or subline item or exhibit line item.
- (8) Include exhibit line items and associated information in the electronically distributed contract documents identified in PGI 204.201 (3)(i)(A) and (B).

(b) Numbering exhibits and attachments.

- (1) Use alpha characters to identify exhibits. The alpha characters shall be either single or double capital letters. Do not use the letters I or O.
- (2) Once an identifier has been assigned to an exhibit, do not use it on another exhibit in the same contract.
- (3) The identifier shall always appear in the first or first and second positions of all applicable exhibit line item numbers.
- (4) If the exhibit has more than one page, cite the procurement instrument identification number, exhibit identifier, and applicable contract line or subline item number on each page.
- (5) Use numbers to identify attachments.

(c) Numbering exhibit line items.

- (1) Criteria for establishing. The criteria for establishing exhibit line items are the same as those for establishing contract line items (see DFARS 204.7103).
- (2) Procedures for numbering.
 - (i) Number items in an exhibit in a manner similar to contract line items.

(ii) Number line items using a four-position number.

(A) The first position or the first and second position contain the exhibit identifier.

(B) The third and fourth positions contain the alpha or numeric character serial numbers assigned to the line item when using a double letter exhibit identifier. The second, third and fourth positions contain the alpha or numeric character serial numbers assigned to the line item when using a single letter exhibit identifier.

(iii) Exhibit line item numbers shall be sequential within the exhibit.

(3) Examples.

(i) Two-position serial number for double letter exhibit identifier.

| Cumulative No. of Line Items | Serial Number Sequence |
|-------------------------------------|-----------------------------------|
| 1-33 | 01 thru 09, then 0A thru 0Z, then |
| 34-67 | 10 thru 19, then 1A thru 1Z, then |
| 68-101 | 20 thru 29, then 2A thru 2Z, then |
| 102-135 | 30 thru 39, then 3A thru 3Z, then |
| 136-169 | 40 thru 49, then 4A thru 4Z, then |
| 170-203 | 50 thru 59, then 5A thru 5Z, then |
| 204-237 | 60 thru 69, then 6A thru 6Z, then |
| 238-271 | 70 thru 79, then 7A thru 7Z, then |
| 272-305 | 80 thru 89, then 8A thru 8Z, then |
| 306-339 | 90 thru 99, then 9A thru 9Z, then |
| 340-373 | A0 thru A9, then AA thru AZ, then |
| 374-407 | B0 thru B9, then BA thru BZ, then |
| 408-441 | C0 thru C9, then CA thru CZ, then |
| 442-475 | D0 thru D9, then DA thru DZ, then |
| 476-509 | E0 thru E9, then EA thru EZ, then |
| 510-543 | F0 thru F9, then FA thru FZ, then |
| 544-577 | G0 thru G9, then GA thru GZ, then |
| 578-611 | H0 thru H9, then HA thru HZ, then |
| 612-645 | J0 thru J9, then JA thru JZ, then |
| 646-679 | K0 thru K9, then KA thru KZ, then |
| 680-713 | L0 thru L9, then LA thru LZ, then |
| 714-747 | M0 thru M9, then MA thru MZ, then |
| 748-781 | N0 thru N9, then NA thru NZ, then |
| 782-815 | P0 thru P9, then PA thru PZ, then |
| 816-849 | Q0 thru Q9, then QA thru QZ, then |
| 850-883 | R0 thru R9, then RA thru RZ, then |
| 884-917 | S0 thru S9, then SA thru SZ, then |
| 918-951 | T0 thru T9, then TA thru TZ, then |
| 952-985 | U0 thru U9, then UA thru UZ, then |
| 986-1019 | V0 thru V9, then VA thru VZ, then |
| 1020-1053 | W0 thru W9, then WA thru WZ, then |
| 1054-1087 | X0 thru X9, then XA thru XZ, then |
| 1088-1121 | Y0 thru Y9, then YA thru YZ, then |
| 1122-1155 | Z0 thru Z9, then ZA thru ZZ |

(ii) Three-position numbers.

Cumulative No. of Line Items

Serial Number Sequence

1-33
34-67
68-101
102-135
136-305

01 thru 009, then 00A thru 00Z, then
010 thru 019, then 01A thru 01Z, then
020 thru 029, then 02A thru 02Z, then
030 thru 039, then 03A thru 03Z and so on to

306-339
340-373
374-407
408-441

442-1121
1122-1155
1156-1189
1190-1223
1224-1257
1258-1461
1462-1495
1496-1529
1530-1563
1564-2277
2278-2311
2312-2345
2346-2379
2380-2413
2414-2617
2618-2651
2652-2685
2686-2719
2720-3433
3434-3467
3468-3501
3502-10403
10404-10437
10438-10471
10472-10709
10710-10743
10744-10777
10778-10811
10812-11525
11526-11559

090 thru 099, then 09A thru 09Z, then
0A0 thru 0A9, then 0AA thru 0AZ, then
0B0 thru 0B9, then 0BB thru 0BZ, then
0C0 thru 0C9, then 0CA thru 0CZ, and so on to
0Z0 thru 0Z9, then 0ZA thru 0ZZ, then
100 thru 109, then 10A thru 10Z, then
110 thru 119, then 11A thru 11Z, then
120 thru 129, then 12A thru 12Z, and so on to
190 thru 199, then 19A thru 19Z, then
1A0 thru 1A9, then 1AA thru 1AZ, then
1B0 thru 1B9, then 1BA thru 1BZ, and so on to
1Z0 thru 1Z9, then 1ZA thru 1ZB, then
200 thru 109, then 10A thru 10Z, then
210 thru 219, then 21A thru 21Z, then
220 thru 229, then 22A thru 22Z, and so on to
290 thru 299, then 29A thru 29Z, then
2A0 thru 2A9, then 2AA thru 2AZ, then
2B0 thru 2B9, then 2BA thru 2BZ, and so on to
2Z0 thru 2Z9, then 2ZA thru 2ZZ, then
300 thru 309, then 30Z thru 30Z, and so on to
900 thru 909, then 90A thru 90Z, then
910 thru 919, then 91A thru 91Z, and so on to
990 thru 999, then 99A thru 99Z, then
9A0 thru 9A9, then 9AA thru 9AZ, then
9B0 thru 9B9, then 9BA thru 9BZ, and so on to
9Z0 thru 9Z9, then 9ZA thru 9ZZ

PGI 204.7107 Contract accounting classification reference number (ACRN) and agency accounting identifier (AAI).

(a) *Establishing the contract ACRN.*

(1) The contracting office issuing the contract is responsible for assigning ACRNs. This authority shall not be delegated. If more than one office will use the contract (e.g., ordering officers, other

contracting officers), the contract must contain instructions for assigning ACRNs.

(2) ACRNs shall be established in accordance with the following guidelines:

(i) Do not use the letters I and O.

(ii) In no case shall an ACRN apply to more than one accounting classification citation, nor shall more than one ACRN be assigned to one accounting classification citation.

(b) *Establishing an AAI.* An AAI, as detailed

<http://www.acq.osd.mil/dpap/policy/policyvault/USA002246-09-DPAP.pdf>, is a six-digit data element that identifies a system in which accounting for specific funds is performed. The funding office will provide to the contracting office the AAI associated with the funding for each line item.

(c) Capturing accounting and appropriations data in procurement. Procurement instruments shall identify the funding used for the effort in one of two ways.

(1) In legacy system environments where the contracting and accounting processes are not sufficiently integrated to ensure use of the Procurement Instrument Identifiers (PIIDs) (see DFARS Subpart 204.16) and line item numbers as common keys, the contract shall include the accounting and appropriations data and ACRN as follows:

(i) Show the ACRN as a detached prefix to the accounting classification citation in the accounting and appropriations data block or, if there are too many accounting classification citations to fit reasonably in that block, in section G (Contract Administration Data).

(ii) ACRNs need not prefix accounting classification citations if the accounting classification citations are present in the contract only for the transportation officer to cite to Government bills of lading.

(iii) If the contracting officer is making a modification to a contract and using the same accounting classification citations, which have had ACRNs assigned to them, the modification need cite only the ACRNs in the accounting and appropriations data block or on the continuation sheets.

(iv) Showing the ACRN in the contract. If there is more than one ACRN in a contract, all the ACRNs will appear in several places in the schedule (e.g., ACRN: AA).

(A) Ship-to/mark-for block. Show the ACRN beside the identity code of each activity in the ship-to/mark-for block unless only one accounting classification citation applies to a line item or subline item. Only one ACRN may be assigned to the same ship-to/mark-for within the same contract line or subline item number unless multiple accounting classification citations apply to a single nonseverable deliverable unit such that the item cannot be related to an individual accounting classification citation.

(B) Supplies/services column.

(1) If only one accounting classification citation applies to a line item or a subline item, the ACRN shall be shown in the supplies/services column near the item description.

(2) If more than one accounting classification citation applies to a single contract line item, identify each assigned ACRN and the amount of associated funds using informational subline items (see DFARS [204.7104-1\(a\)](#)).

(2) The contract shall include AAI and ACRNs in system environments where the accounting

systems are able to use PIDs and line item numbers as common keys to enable traceability of funding to contract actions. Include AAs and ACRNs as follows:

(i) Showing the ACRN in the contract. If there is more than one ACRN in a contract, all the ACRNs will appear in several places in the schedule (e.g., ACRN: AA).

(A) Ship-to/mark-for block. Show the ACRN beside the identity code of each activity in the ship-to/mark-for block unless only one accounting classification citation applies to a line item or subline item. Only one ACRN may be assigned to the same ship-to/mark-for within the same contract line or subline item number unless multiple accounting classification citations apply to a single nonseverable deliverable unit such that the item cannot be related to an individual accounting classification citation.

(B) Supplies/services column.

(1) If only one accounting classification citation applies to a line item or a subline item, the ACRN shall be shown in the supplies/services column near the item description.

(2) If more than one accounting classification citation applies to a single contract line item, identify each assigned ACRN and the amount of associated funds using informational subline items (see DFARS [204.7104-1\(a\)](#)).

(ii) Showing the AA in the contract. If there is more than one AA in a contract, show the AA in the supplies/services column of the Schedule next to the ACRN. A sample showing the AA is as follows:

| ITEM NO | SUPPLIES/SERVICES | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|---------|---------------------------------|----------|------|-------------|--------------|
| 0002 | BRU-32 B/A Ejector Bomb Rack | 23 | Each | \$22,206.00 | \$510,738.00 |

MILSTRIP: N0001906P7PM230

PURCHASE REQUEST NUMBER: 0010144885-0001

ACRN: AA

AAI: 050119

PGI 204.7108 Payment instructions.

(a) *Scope.* This section applies to contracts and orders that are funded by multiple accounting classification reference number (ACRN) citations and—

(1) Include deliverable line items or deliverable subline items (see FAR 4.1005-1) that are funded by multiple ACRNs; or

(2) Authorize financing payments.

(b) For contracts and orders covered by this subpart—

(1) The contracting officer shall insert the table at paragraph (b)(2), or a link to the table at (b)(2) (https://www.acq.osd.mil/dpap/dars/pgi/pgi_hm/current/PGI204_71.htm#pay...) in Section G of the contract, or equivalent. When some, but not all, of the fixed-price line items in a contract are subject to contract financing payments, the contracting officer shall clearly identify to which line items the payment clause(s) included in Section I of the contract apply.

(2) The payment office shall allocate and record the amounts paid from the ACRNs in the contract using the table in this paragraph (b)(2) based on the type of payment request submitted (see DFARS [252.232-7006](#)) and the type of effort identified by the Product Service Code for each deliverable line item or subline item (see FAR 4.1005-1).

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------|----------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 52.212-4 (Alt I), Contract Terms and Conditions—Commercial Products and Commercial Services; 52.216-7, Allowable Cost and Payment; 52.232-7, Payments Under Time-and- Materials and Labor- Hour Contracts | Cost Voucher | X | X | N/A | Line item specific proration. If there is more than one ACRN within a deliverable contract line item, the funds will be allocated in the same proportion as the amount of funding currently unliquidated for each ACRN on the line item billed. |

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|-------------------------------------------------------------------------------------|-----------------------------------------------|--------|---------|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 52.232-1, Payments; 252.217-7007, Payments (vessel repair and alterations) | Navy Shipbuilding Invoice (Fixed Price) | X | X | N/A | Line item specific by fiscal year. If there is more than one ACRN within a deliverable line or deliverable subline item, the funds will be allocated using the oldest funds first. In the event of a deliverable line or deliverable subline item with two or more ACRNs with the same fiscal year, those amounts will be prorated to the available unliquidated funds for that year. |

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------|---------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 52.232-1, Payments; 52.232-2, Payments under Fixed-Price Research and Development Contracts; 52.232-3, Payments under Personal Services Contracts; 52.232-4, Payments under Transportation Contracts and Transportation-Related Services Contracts; and 52.232-6, Payments under Communication Service Contracts with Common Carriers | Invoice | X | X | N/A | Line item specific proration. If there is more than one ACRN within a deliverable line item or deliverable subline item, the funds will be allocated in the same proportion as the amount of funding currently unliquidated for each ACRN on the deliverable line or deliverable subline item for which payment is requested. |

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|-------------------------------------------------------------------|---------------------------------------------------------|---------------|----------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 52.232-5, Payments Under Fixed-Price Construction Contracts | Construction and Facilities Management Invoice | N/A | N/A | X | Line item specific by fiscal year. If there is more than one ACRN within a deliverable line or deliverable subline item, the funds will be allocated using the oldest funds first. In the event of a deliverable line or deliverable subline item with two or more ACRNs with the same fiscal year, those amounts will be prorated to the available unliquidated funds for that year. |

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|-------------------------------------------------------------------------------------------------|------------------------------------|---------------|----------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 52.232-16, Progress Payments (excluding contracts with multiple lot progress payments) | Progress Payment* | X | X | N/A | Contract-wide proration. Funds shall be allocated in the same proportion as the amount of funding currently unliquidated for each ACRN. Progress payments are considered contract level financing, and the "contract price" shall reflect the fixed-price portion of the contract per FAR 32.501-3. |
| 52.232-16, Progress Payments 252.232-7018, Progress Payments- Multiple Lots | Progress Payment* | X | X | N/A | Lot-wide proration (applies to lots specifically identified in the contract). If there is more than one ACRN within a lot, the funds will be allocated in the same proportion as the amount of funding currently unliquidated for each ACRN on the lot for which payment is requested. See paragraph (c) of this section for multiple lot CLIN structure. |

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------|----------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 52.232-29, Terms for Financing of Purchases of Commercial Products and Commercial Services;; 52.232-30, Installment Payments for Commercial Products and Commercial Services | Commercial Product and Commercial Service; Financing* | X | X | N/A | Specified in approved payment. The contracting officer shall specify the amount to be paid and the account(s) to be charged for each payment approval in accordance with FAR 32.207(b)(2). |
| 52.232-32, Performance-Based Payments | Performance-Based Payments* | X | X | N/A | Specified in approved payment. The contracting officer shall specify the amount to be paid and the account(s) to be charged for each payment approval in accordance with FAR 32.1007(b)(2). |
| <u>252.232-7002</u> , Progress Payments for Foreign Military Sales Acquisitions | Progress Payment* | X | X | N/A | Allocate costs among line items and countries in a manner acceptable to the Administrative Contracting Officer. |

For Government Use Only

| Contract/Order Payment Clause | Type of Payment Request | Supply | Service | Construction | Payment Office Allocation Method |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------|----------------|---------------------|-----------------------------------------------------|
| *Liquidation of Financing Payments. Liquidation will be applied by the payment office against those ACRNs which are identified by the payment instructions for the delivery payment and in keeping with the liquidation provision of the applicable contract financing clause (i.e., progress payment, performance-based payment, or commercial product and commercial service financing). | | | | | |

(c) The following example illustrates a contract with multiple lots. Note that each lot is specifically identified in Section B of the Schedule in the event lot-wide proration will be used in accordance with DFARS 252.232-7018, Progress Payments-Multiple Lots. Note also that cost-reimbursement line items are not included in the request for progress payment.

Section B – Supplies or services and prices/costs.

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|---------------------|------------------------------------------------------|-----------------|-------------|-----------------------|---------------|
| | <u>Lot 1 (FYXX)</u> | | | | |
| 0001 | Lot 1 ABC Vehicle (FFP) | | | | |
| 0001AA | Lot 1 ABC Vehicles, Army (Procurement) | 19 | EA | \$300,000 | \$5,700,000 |
| 0001AB | Lot 1 ABC Vehicles, Marine Corps (Procurement) | 11 | EA | \$300,000 | \$3,300,000 |
| 0002 | Data for Item 0001 | | | | NSP |
| 0003 | Lot 1 Initial Spares (FFP) | | | | |

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|----------------------------------------------------------------------------------------|----------|------|------------|---------------------------------------------------|
| 0003AA | Lot 1 ABC Vehicle Initial Spares Army (See Exhibit C, \$456,000) (Procurement) | | | | |
| 0003AB | Lot 1 ABC Vehicle Initial Spares Marine Corps (See Exhibit D, \$264,000) (Procurement) | | | | |
| 0004 | Lot 1 System Engineering and Program Management (CPFF) | 1 | Lot | | Est. Cost: \$167,400 Fixed Fee: \$12,600 |
| | OPTION ITEMS | | | | |
| | <u>Lot 2 (FYXY)</u> | | | | |
| 1001 | Lot 2 ABC Vehicles (FFP) | | | | |
| 1001AA | Lot 2 ABC Vehicles, Army (Procurement) | 25 | EA | \$303,000 | \$7,575,000 |
| 1001AB | Lot 2 ABC Vehicles, Marine Corps (Procurement) | 15 | EA | \$307,500 | \$4,545,000 |
| 1002 | Data for Item 1001 | | | | NSP |
| 1003 | Lot 2 Initial Spares (FFP) | | | | |
| 1003AA | Lot 2 ABC Vehicle Initial Spares Army (See Exhibit E, \$606,000) (Procurement) | | | | |
| 1003AB | Lot 2 ABC Vehicle Initial Spares Marine Corps (See Exhibit F, \$363,600) (Procurement) | | | | |

| ITEM NO. | SUPPLIES/SERVICE | QUANTITY | UNIT | UNIT PRICE | AMOUNT |
|----------|--------------------------------------------------------|----------|------|------------|---------------------------------------------------|
| 1004 | Lot 2 System Engineering and Program Management (CPFF) | 1 | Lot | | Est. Cost: \$225,432 Fixed Fee: \$16,968 |