

Government Contracts Update

April 2022

Out With DUNS, In With UEI: New Unique Entity Identifier Is Here

Key Notes:

- On April 4, the federal government transitioned from using the Data Universal Number System (DUNS) number to a Unique Entity Identifier (UEI) number as the primary identifier in the SAM.gov system.
- Previously, a complete SAM registration could take up to 10 business days (or longer in some cases) due to DUNS registration. This new one-site process streamlines registration.
- All entities (companies, nonprofits, educational institutions, health care and research facilities, etc.) must now use the UEI number for SAM and other government systems (including FPDS.gov, eSRS.gov, FSRs.gov, FAPIIS.gov, and CPARS.gov).

On April 4, the federal government stopped using the Dun & Bradstreet (D&B) Data Universal Number System (DUNS) number to uniquely identify entities and fully transitioned to using the Unique Entity Identifier (UEI) in accordance with 2 CFR Part 25. The UEI is a 12-character unique number assigned to an entity (public or private company, individual, institution, or organization) that must register in SAM.gov to do business with the federal government. Now an entity doing business with the federal government will use the UEI number created in SAM.gov and will no longer have to go to a third-party website to obtain its identifier (i.e., a DUNS number issued by D&B). This transition will streamline the entity identification and validation process, making it easier and less burdensome for entities to do business with the federal government while allowing the government to solicit and award competitive contracts to conduct the unique entity validation process rather than be obligated to use D&B or another vendor.

All organizations will now use UEI numbers, not DUNS numbers, for integrated award environment (IAE) systems such as SAM.gov (used for entity registration, contract award notifications, etc.), FPDS.gov, eSRS.gov, FSRs.gov, FAPIIS.gov, and CPARS.gov. DUNS numbers will no longer be searchable or viewable in SAM.

Entities that will require a UEI number include:

- Public companies
- Private companies
- Individuals
- Institutions
- Organizations
- Nonprofits
- State governments
- Local governments

Background

The federal government has used D&B's services to both identify (using the DUNS number) and validate/verify federal contractors since 1978. In 1998, entities engaged in federal contracting were required by the Federal Acquisition Regulations (FAR) to get a DUNS number. In 2008, this requirement expanded to federal financial assistance, affecting public and private entities seeking federal grant awards and other financial assistance agreements.

Essentially, the identifier number is like a Social Security number for a business. Every business has one that is unique to it, and every business was required to obtain a DUNS number before it could participate in the federal marketplace. An organization's UEI number will now be

assigned via SAM.gov and the entire process will be under one government website. GSA chose to have the new, non-proprietary identifier both requested in and generated by SAM.gov to reduce the burden of this change, because the government and entities will have to transition from using the DUNS number only once, even if in the future a different entity validation service provider is selected.

While the official identifier for doing business with the federal government is changing, GSA has explained that the “definition of entity uniqueness is not changing” and uniqueness will still be “based on an entity being a separate legal entity and/or associated with a separate physical address.” Once the uniqueness is determined, a UEI number is then assigned to that entity.

Next Steps

No specific action is required for an entity already in SAM (whether active or inactive). According to the GSA’s interactive website, [interact.gsa.gov](https://www.gsa.gov/interactivedoingbusiness), if a federal contractor or grantee is already registered in SAM.gov, a UEI has already been automatically assigned and should be viewable in the entity registration record in SAM.gov.

Moving forward, a company will no longer be required to update its DUNS registration (such as in the event of a name or address change) before updating its SAM.gov profile. Those registering in SAM.gov or seeking a UEI after April 4, 2022, will request their UEI numbers through SAM.gov.

New SAM.gov registrants will be assigned a UEI number as part of their SAM registration. A new applicant for federal funds must register at SAM.gov and obtain a UEI number, not a DUNS number, and provide basic data (e.g., legal entity name, “doing business as” trade name, physical address) to validate uniqueness. A subrecipient of a federal grant award can also register at SAM.gov; they can also just request a new UEI at SAM.gov, as full SAM.gov registration is not required if a subrecipient or subawardee only needs a UEI. Once subrecipients and subawardees are assigned a UEI number, they no longer need to obtain or use a DUNS number for subrecipient registration or reporting.

Please note that the GSA manages the issuance of UEI numbers and SAM.gov registration.

Bottom Line

In preparation for the full transition to the UEI, organizations should prepare their internal systems to accept the new identifier and stop using the DUNS number for federal award processes. Prime contractors should work closely with their subcontractors and subawardees to determine the timeline for providing the prime contractor with a subawardee’s UEI. Organizations should also pay special attention to any instructions agencies may provide regarding the use of the new UEI numbers.

FOR MORE INFORMATION

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