

CHAPTER 3

RECEIPTS FROM CONTRACTORS

SECTION I - GENERAL

203101 - PURPOSE

This chapter prescribes the policies, responsibilities, criteria and standard DSC procedures for the generation of stock replenishment purchase recommendations and the subsequent processing of due-in and receipt transactions from contractual sources.

203102 - SCOPE

The procedures are applicable to DSO, DP&P, DTO, Installation Services, Office of the Comptroller, and ODS. The procedures cover the following basic areas of operation:

- a. The mechanical generation of the SSCS with Reason for Study Codes RP, MM, and IB along with the Recommended Buy/Repair Documents.
- b. Processing of Recommended Buy/Repair Approval Documents.
- c. Establishment of Due-In records and preparation of PMRCs.
- d. Processing of MRCs and documents involving receipts from contractors.
- e. Processing of discrepancy reports on materiel received from contractors.
- f. Processing of computer generated manual review documents, hereinafter identified as Violation/Suspense Control Reentry Documents, Uncontrolled Violation Listings, Controlled Violation Listings, or Discrepancy Report Notices, as applicable.
- g. Followup based on Notification of Shipment from vendors, to assure that materiel receipts are recorded on the DSC records in a timely manner.

203103 - RESPONSIBILITIES

- a. DSO is responsible for:
 - (1) Processing SSCS and Recommended Buy/Repair Documents.
 - (2) Controlling the receipts of materiel from contractual sources.

(3) Coordinating and processing discrepancy reports involving materiel received from a commercial source.

(4) Reviewing and processing Violation/Suspense Control Reentry Documents within the established timeframes.

(5) Contacting the distribution activity to remark stocks and to update records when an NSN/UI change has occurred between the time that the original documentation was forwarded to the distribution activity and the materiel was received and reported to the DSC.

b. DP&P is responsible for:

(1) Furnishing distribution activities with award documents, as required, for inspection and/or acceptance of materiel. Also, clearly identifying those documents which are applicable to fast pay procedures for small purchases.

(2) Processing and expediting contracts to ensure timely deliveries of materiel.

(3) Furnishing disposition instructions for discrepant receipts from commercial sources, on a timely basis.

c. DTO is responsible for:

(1) Furnishing missing or additional technical data required for the purpose of releasing a PR to DP&P or for awarding a PR as applicable.

(2) Furnishing technical assistance and data, as required, in the resolution of shipment discrepancies.

(3) Centrally controlling and coordinating the timely processing of discrepancy reports involving materiel received from a commercial source.

(4) Processing returned PR and preparing DLA Form 1152, Technical Guidance for Stock Management, IAW appendix E-171 P. Replies for Requests for Routine Technical Assistance will be processed IAW appendix E-279 P.

d. The Directorate of Installation Services (or Surveying Officer) is responsible for reviewing and processing DISREP on a timely basis.

e. The Office of Comptroller is responsible for:

(1) The input and control of funds to cover the mechanical commitment and obligation for stock replenishment purchases.

(2) Processing receiving documents, vendor invoices, and other related documents to ensure prompt payment of accounts.

f. ODS is responsible for:

(1) The mechanical generation of Supply Control Studies and Recommended Buy/Repair Approval Documents for stock replenishment purchases.

(2) Establishing and maintaining the Due-In records.

(3) Furnishing distribution activities a PMRC for each shipment of items due-in and updating each document as required.

(4) Processing MRCs within the prescribed time standards.

(5) Preparing operational and/or management reports in their prescribed format.

SECTION II - ESTABLISHMENT AND MAINTENANCE OF DUE-IN RECORDS BASED ON CONTRACTUAL SOURCES

203201 - GENERAL

This section prescribes the policies and procedures for the generation of stock replenishment purchase recommendations and for the subsequent establishment of Due-In records.

203202 - DUE-IN RECORDS BASED ON RECOMMENDED PROCUREMENTS FOR STOCK REPLENISHMENT REQUIRING MANUAL REVIEW

a. An SSCS is mechanically generated for all items assigned SSC 1, 4, 5, 7, 8, or A or with a Future SSC of 1, 4, 5, 7, 8, or A when assets reach the System ROP or (for SSC A) Reorder Review Level. Recommended Buy/Repair Documents are generated simultaneously for all items requiring manual review by the IM. Items assigned a Tentative Due-In Restriction Code Y, will not generate Recommended Buy/Repair Documents, but every 15 days or more, an SSCS will be output for IM Review. An approved, recommended buy Due-In record will be established in the Due-In File under TDICs SRS, SRU, SRV, and SRZ, when the buy recommendation does not require manual review and approval. TDIC for stock replenishment, as defined in appendix A-107, will be mechanically assigned based on the Source of Procurement Code, appendix A-48, assigned to the NSN involved.

b. When the system recommendations require manual review and approval, a Recommended Buy/Repair Trailer (ZHS/ZGS) will be established in the SCR. These records will be mechanically maintained until subsequent approval documents are processed.

c. Concurrently with the establishment of the Recommended Buy/Repair Trailer in the SCR, the system will generate the following documents for distribution to DSO:

(1) One Recommended Buy/Repair Batch Control Document (DIC ZSJ, appendix B-140) for each NSN.

(2) One Recommended Buy Document (DIC ZHS, appendix B-139) for each location having a different delivery date and FCC. FCCs will be assigned mechanically to indicate the type of recommended buy as follows:

(a) Provisioning - FCC DA, DB, DC, or DD - System assigned when a Provisioning Code Y is assigned to the Provisioning Trailer of the SCR IAW procedures contained in chapter 38.

(b) War Reserve - FCC CA, CB, CC, or CD - System assigned when a OWRMRP Increment is contained in SCR. The OWRMRP Increment is put into the file IAW procedures contained in chapter 59.

(c) Stock Replenishment - FCC AA, AB, AC, or AD - System assigned when the recommendation is neither for Provisioning nor Mobilization Reserve.

(3) One Recommended Repair Document (DIC ZGS, appendix B-141) when on-hand assets are in Condition Code D, F, or G (Unserviceable Repairable/Incomplete). Condition Codes are defined in appendix A-16.

(4) SSCS in the format of appendix F-167, with Reason for Study Code RP, IB, or MM.

(5) Daily Summary of Recommended Buy/Repair Report in the format of appendix F-236.

d. When an item is assigned a Tentative Due-In Restriction Code and/or when initiation of purchase is required in advance of the ROP; the IM will prepare a Request for Study (DIC ZR9) with Reason for Study Code IB. The system will establish a Recommended Batch/Buy/Repair Trailer for any shortage to the ROP/Procurement Cycle Requirements. When a shortage to the procurement cycle does not exist, only a Batch Trailer will be established with a Recommended Buy Number. In addition, the following documents will be generated:

(1) SSCS, appendix F-167, with Reason Code IB appended.

(2) DIC ZSJ - Recommended Buy Repair Batch Control Document, appendix B-140.

(3) DIC ZHS - Recommended Buy Document, appendix B-139, for each location having an asset shortage to the Procurement Cycle Requirement.

(4) DIC ZGS - Recommended Repair Document for each location having Condition D, F, or G assets when a shortage exists to the Procurement Cycle.

e. Whenever the Option Provision Date is about to expire within the next 45 days for an NSN on Contract, the DSO will be provided a listing of Active Contracts with Expiring Options - NSN, appendix F-57, (appendix F-246 to DLAM 4140.2, Volume II). The listing is sequenced by NSN within ORC (page break is on ORC). The IM will review the asset position of NSNs listed on this report; and if necessary, contact the Branch/Buyer to find out the option quantity. If the option is to be exercised, the IM will initiate purchase as specified in subparagraph d above or if warranted, in paragraph 203203 below. Policies established by each DSC will provide the detailed procedures of how the purchase recommendation will be forwarded to DP&P.

f. Upon receipt of the documents specified in subparagraph c and d above, the DSO will process the SSCS, appendix F-167, IAW instructions procedures contained in appendix E-307 P. The Recommended Buy/Repair Document will be prepared for reentry as follows and IAW appendix E-139 P:

(1) For Total Approval - Submit only the Recommended Buy/Repair Batch Control Document (DIC ZSJ) IAW appendix B-140 with Action Code DA. Action Codes are defined in appendix A-42.

(2) Revisions - Submit the Recommended Buy/Repair Batch Control Document (DIC ZSJ) in the format of appendix B-140 with Action Code DE and only the detail document(s) (DIC ZHS/ZGS) that are being revised, in the format of appendix B-139/B-141, with Action Code DE. When a location is being added, use Action Code DF.

(3) Total Disapproval - Submit only the Recommended Buy/Repair Batch Control Document (DIC ZSJ) in the format of appendix B-140 with Action Code CY, DB, DC, or DH, as appropriate.

g. When the valid Recommended Approval (Reentry) Documents (DICs ZSJ, ZHS, and ZGS) are processed by the automated system, the following actions are accomplished, based on the action code assigned:

(1) Action Code DA approves the entire Recommended Buy/Repair (DIC ZHS, ZGS) quantity in the Buy/Repair Trailer Records in the SCR. The Batch/Buy/Repair Trailer is deleted, and an approved recommended buy record is established in the Due-In File for purchase recommendations, and the Purpose Code in the NIR is changed from Purpose Code A to F, for repair recommendations.

(2) Action Code DE revises the quantity in the Buy/Repair Trailer based on the input transaction. The revised quantities plus recommended quantities for which no revisions were received are established as an approved recommended due-in in the Due-In File for purchase recommendations. Assets in the NIR are changed from Purpose Code A to Purpose Code F for repair recommendations. The Batch/Buy/Repair are deleted simultaneously from the SCR.

(3) Action Code DF establishes an approved recommended Due-In record in the Due-In File for purchase recommendations.

(4) Action Codes CY, DB, DC, and DH disapprove the entire Recommended Batch/Buy/Repair quantity in the SCR and the Trailer Records are deleted.

h. Concurrent with the establishment of the approved recommended buy in the Due-In File and the deletion of the Batch/Buy/Repair Trailer from the SCF, the following actions are also accomplished:

(1) YPQ transactions are created and passed to the Contracting Subsystem for preparation of the PR.

(2) The ROP Signal Date is deleted from the NIR and the ROP comparison quantity is increased by the amount of the approved transactions (ZHS/ZGS).

(3) A Due-In Signal Code is established in the NIR if no Due-In record exists for the item.

203203 - DUE-IN RECORDS BASED ON MANUALLY PREPARED PURCHASE REQUESTS FOR STOCK REPLENISHMENT AND/OR DIRECT DELIVERY

a. Normally, a manual (Walk-Thru) PR will cover emergency requirements of materiel for stock replenishment and/or direct delivery. Policies as to the degree of emergency and/or unusual situations that would warrant the processing of a PR outside of the automated procedures outlined herein will be established by each DSC.

b. When it is determined to process a purchase recommendation outside the system, the DSO will prepare a manual PR on SF 36, Continuation Sheet IAW appendices F-21, F-22, and F-23, DLAM 4715.1, SAMMS Procurement Subsystem Operating Procedures, as appropriate. The Walk Through PR will be manually processed through all applicable components of the DSC. Processing instructions are contained in appendix E-266 P.

c. Establishment of Due-In records in the Due-In File resulting from manual PRs will be accomplished for stock replenishment and direct delivery.

203204 - VALIDATION OF RECOMMENDED BUY/REPAIR APPROVAL DOCUMENTS FOR STOCK REPLENISHMENT

a. Each Recommended Buy/Repair Approval document is forwarded to ODS for processing and is passed through document validation and close-out. If the documents are found to contain invalid data and processing cannot continue, the system will assign an appropriate VRC, as defined in appendix A-82, and a Recommended Buy/Repair Discrepancy Listing will be mechanically produced, as outlined in appendix F-43. This report will reflect the invalid input actions with the appropriate VRC under the caption Manager Decisions that Violated. This report will also reflect the actions input by the Manager that passed validation and posted to the SCR under the caption Recommendations Contained in the SCR. Processing instructions for reentry are IAW appendix E-139 V.

b. The system will produce a daily delinquent listing in the format appendix F-49 to mechanically followup on unprocessed recommended buy/repair actions that are over five days old. Both the Recommended Buy/Repair Discrepancy Listing (appendix F-43) and the Delinquent Recommended Buy/Repair Action Report (appendix F-49) are routed to the DSO. Appendix F-49 is processed IAW appendix E-364 P and appendix F-43 IAW appendix E-139 V.

203205 - DUE-IN RECORDS BASED ON RECOMMENDED PROCUREMENTS FOR DIRECT DELIVERY

a. A recommended Due-In record will be established in the Due-In File under TDICs, DRS, DRT, DRU, DRV, and DRZ, as appropriate, when a requisition is coded for direct delivery. The criteria established for the requisition editing process resulting in a recommendation for purchase are delineated in chapter 4. TDICs, as defined in appendix A-107, for Direct Delivery, will be mechanically assigned based on the Source of Procurement Code, appendix A-48, assigned to the NSN involved.

b. Concurrent with establishing the direct delivery due-in in the Due-In File, the RCSF is updated to a BV status.

203206 - ASSIGNMENT OF A TYPE OF DUE-IN CODE (TDIC) TO THE DUE-IN RECORD

a. The Type of Due-In record in the Due-In File is assigned a three-digit TDIC. The TDIC is mechanically determined and assigned to identify the type of due-in, the stage of due-in, and the source from which materiel is being obtained. The TDIC is initially assigned by the Requirements or Distribution Subsystem at the time the approved recommended buy is passed to the Contracting Subsystem. The TDIC is updated by the Contracting Subsystem when the PR and/or award data is recorded in the Due-In File. The TDIC is constructed as follows:

(1) 1st position - Reason.

S - Stock.

D - Direct Delivery.

(2) 2nd position - Stage.

R - Approved Recommended Buy.

P - Purchase Request.

D - Procurement Instruction Source (Contract, Purchase Order or Delivery Order).

(3) 3rd position - Source.

S - From Purchase - Commercial.

T - From Requisition - Own Service/Agency.

U - From Purchase - DoD Agency.

V - From Purchase - Non-DoD Federal Agency.

Z - From Other.

b. The third digit of the TDIC is determined initially by the Source of Procurement Code, appendix A-48. It is updated at the time of award based on the third digit (Contract Placement) of the Report Code (A6, DLAM 4715.1). The third digit of the TDIC is determined and assigned as follows:

(1) Initially from Source of Procurement Code.

(a) Source of Procurement Code 1, 0, B, or C - third digit will be an S (Commercial Source).

(b) Source of Procurement Code 2, 4, or 5 - third digit will be a U (Purchase from DoD Agency).

(c) Source of Procurement Code 3, 7, 8, or 9 - third digit of the TDIC will be a V (Purchase from a non-DoD Federal Agency). Source of

Procurement Code 3 should only be assigned items for which there is an agreement between DLA and GSA for central purchase from GSA stores.

(d) Source of Procurement Code A - third digit of the TDIC will be a T. (Requisition from own Service/Agency.)

(e) Source of Procurement Code 6 - third digit of the TDIC will be a Z. (Other.)

(f) Source of Procurement Code F - third digit of TDIC will be a U. For DSCP Factory supply of Special Measurement Clothing, Flags, Guidons, and Streamers.

(2) Changed when award data is posted based on Report Code (sixth digit which represents Contract Placement).

(a) Report Code 1 - Commercial - Third digit will be a S.

(b) Report Code 2 - Other DoD - Third digit will be a U.

(c) Report Code 3 - Non-DoD - Third digit will be a V.

(d) Report Code 4 - Own Service/Agency - Third digit will be a T.

(e) Report Code 5 - Other - Third digit will be a Z.

(f) Report Code 6 - and 7 - Minority Business/SBA - Third digit will be assigned an S.

203207 - PROCESSING APPROVED RECOMMENDED BUYS AND WALK-THRU PURCHASE
REQUESTS BY THE CONTRACTING SUBSYSTEM

a. When technical data information and funds are available for the approved recommended buy record(s), the system will accomplish the following allied actions:

(1) Commit funds under the appropriate funds classification assigned the approved recommended buy. When an approved recommended buy is placed on a delivery order against a Requirement Type Contract, funds will be simultaneously committed and obligated.

(2) Produce a PR or a Delivery Order on SF 36 for all approved stock replenishment and direct delivery buys with the exception of Walk-Thru Purchase which are identified by an A in the first position of the document number field. Walk-Thru PRs are passed to the Contracting Subsystem for the purpose of funding and establishing a PR record in the Contracting Subsystem file.

(3) Establish a PR record in the Active Purchase Request File of the Contracting Subsystem. Simultaneously update the Due-In record changing the second position of the TDIC from an R to a P. Generate a ZCM transaction and pass to the Distribution Subsystem to post the PR number to the RCSF.

(4) When a Delivery Order is generated for a recommended buy against a Requirements Type Contract, the second position of the TDIC in the Due-In File will be changed to a D. The ACF, Requirements Contract Master File, and Contract Number File in the Contracting Subsystem are also updated.

b. PRs for NSNs assigned a Source of Procurement Code 2, 3, 4, 5, or 9 will be routed to the DSO for processing. In addition to the above, PRs with Exception Information Code A, W, Y, X, Z, 1, 2, 3, 4, 5, or 9 will also be routed to DSO for entering of exception data. PR routed to DSO will be processed as follows:

(1) If the NSN is assigned Source of Procurement Code 2, 4, or 9, the PR will be converted to a MIPR, DD Form 448 and processed IAW appendix E-257 P.

(2) If the NSN is assigned Source of Procurement Code 5, the PR will be converted to a Project Order, DLA Form 531 and processed IAW appendix E-517 P.

(3) When the PR contains Exception Information Code of A, W, Y, X, Z, 1, 2, 3, 4, 5, or 9, the DSO will process the PR IAW appendix E-519 P.

c. When a PR is converted to a contractual document, or when a Delivery Order is issued against a Requirement Type Contract, the following actions will be accomplished mechanically:

(1) The Active PR and Contract File in the Contracting Subsystem will be updated.

(2) The award data will be posted to the Due-In File updating the TDIC based on the Report Code (Contract Placement) as outlined in paragraph 203206 above.

(3) A ZCM transaction will be generated and passed to the Distribution Subsystem for update of the RCSF for Direct Delivery Purchase.

(4) Transaction history is generated under the applicable MILSTRIP DIC i.e., DD_ and passed to the Financial Subsystem. In addition to posting the contract number, the PR Number will also be recorded in order to provide a cross-reference between the PR and Contract Numbers.

(5) When contract variance clauses result in fractional quantities, the Due-In File will round fractions in the same manner as a ACF record.

203208 - DUE-IN RECORDS ASSOCIATED WITH AMENDMENT ACTIONS

a. The basic policy governing amendment actions is delineated in DLAM 4715.1, Volume I, Part 1. Chapters 8 and 9 prescribe amendment processing procedures for Recommended Buy, PR, and Contract Type Due-In records.

b. The DSO will submit amendment requests directly to the ODS for changes to approved Recommended Buy Due-In records. Amendment requests generated by the DSO for changes to PR and Contract Type Due-In records will be submitted to DP&P for determination that the amendment request can be accomplished. Processing instructions are contained in appendix E-506 P.

203209 - PROCESSING RECEIPT OF NO CHARGE MATERIEL INVOLVING PURCHASE
REQUESTS FOR STOCK REPLENISHMENT AND/OR DIRECT DELIVERY

a. Materiel will be forwarded to the purchasing DSC when the vendor furnishes the materiel free of charge.

b. Upon receipt of the No Charge materiel, the DP&P will:

(1) Process contract award data feedback IAW instructions/procedures contained in DLAM 4715.1, Volume I, Part 1, Chapter 7, to update the Due-In File and Procurement Contract File.

(2) Forward the No Charge materiel to the DSO for processing.

c. The DSO will receive the No Charge materiel and process IAW instructions/ procedures contained in appendix E-501 P.

d. When the valid No Charge award transaction(s) is processed by the automated system, the following allied actions are accomplished:

(1) Stock Replenishment - Post the award transaction(s) to the PR (TDIC SP_) Due-In record in the Due-In File and Procurement Contract File and generate a PMRC to the applicable distribution activity.

(2) Direct Delivery - Post a contract ship record to the PR Due-In record (TDIC DP_) in the Due-In File and Procurement Contract File and update the RCSF with the ship quantity.

(3) Post the No Charge award transactions for both Stock Replenishment and Direct Delivery, by PR/PIIN Number, to the THF IAW instructions/procedures contained in chapter 2.

(4) Update the Financial Subsystem IAW DLAM 7000.2, SAMMS Financial Subsystem Operating Procedures, to reflect the No Charge award obligations and process customer billing for Direct Delivery at standard price or one cent if item is coded as SSC 2 in the NIR. The action and decisions involved in the mechanical process of direct delivery no charge materiel are reflected in chapter 43.

203210 - PREPOSITIONED MATERIEL RECEIPT DOCUMENTATION

a. A PMRC, DIC DU_, DD Form 1486, DoD Materiel Receipt Document will be used to notify distribution activities of materiel due-in to be received.

b. When the on-order Due-In record is established in the Due-In File under TDIC SD_ for Stock Replenishment, a PMRC, DIC DU_, will be mechanically prepared in the format of appendix B-18 and furnished to the distribution activities. When the Due-In record contains an incremental delivery indicator, a single PMRC is prepared citing a consolidated quantity. The PMRC will contain the summary CLIN, A in pos. 6, and cite the latest delivery data of all the increments.

c. When an amendment or a catalog change action results in a change of stock number, UI, and/or quantity, a PMRC reversal, and a replacing PMRC, if applicable, will be prepared in the same format as the initial PMRC and furnished to the distribution activities.

d. On the second Saturday of each month, the Due-In File will be mechanically screened for delinquency based upon the EID. A PMRC replacement deck will be generated to the distribution activities. This action will be based upon a computation date of the first day of the second previous month plus five days. The replacement documents will be prepared in the same format as the initial documents. PMRCs for incremental deliveries are determined by screening the EID of the last CLIN. When the EID is past due, a new PMRC will be generated as stated in paragraph b above.

e. When the system receives and processes amendment transaction(s), the revised delivery date of the input transaction(s) will be recorded in the EID field of the Due-In File for the line item. If the amendment transactions are not processed in time for the monthly Due-In File review, a date 30 days from the current date will be mechanically entered in the EID field of the Due-In File for the line items.

f. The replacement PMRC(s) furnished the distribution activities will cite either a future EDD or EID, whichever is applicable. This date will have been revised based upon the delinquency computation stated in paragraph d above.

g. Replacement PMRCs will not be furnished to the following Army or Air Force distribution activities.

<u>SERVICE</u>	<u>RIC</u>	<u>ACTIVITY</u>
Air Force	FF_	Sacramento ALC
Air Force	FG_	Ogden ALC
Air Force	FH_	Oklahoma ALC
Air Force	FL_	Warner Robins ALC
Air Force	FP_	San Antonio ALC
Army	AQ5	Sharpe Army Depot
Army	BA4	Anniston Army Depot
Army	BK4	Letter Kenny Army Depot
Army	BL6	Lexington Blue Grass Depot Activity
Army	BP4	Pueblo Army Depot
Army	BR4	Red River Army Depot
Army	BS6	Sacramento Army Depot
Army	BT4	Tooele Army Depot
Army	BY6	Tobyhanna Army Depot

Army

B07

Rock Island Arsenal

<u>SERVICE</u>	<u>RIC</u>	<u>ACTIVITY</u>
Army	B52	Corpus Christi Army Depot
Army	SN	New Cumberland Army Depot

h. The Army depots will be furnished complete replacement PMRCs semi-annually. The replacing decks are to be transceived between 21-25 February and August.

SECTION III - PROCESSING RECEIPT TRANSACTIONS

203301 - GENERAL

This section describes the criteria and standard DSC internal procedures for the validation and processing of MRCs, appendix B-20, representing receipts of materiel from procurement sources.

203302 - RECEIPT DOCUMENTATION

a. The general concept of processing materiel receipts from procurement sources is that DLA distribution activities will receive, inspect, classify, report receipt of, and store materiel received. The MRC used to report receipt and condition of materiel received will be prepared from the PMRC previously furnished by the DSC, when available. When PMRCs are not available, the receiving distribution activity will prepare an MRC from the information furnished on the documentation accompanying the materiel on receipt.

b. MRCs, DICs D4M, D4S, D4U, D4V, and D4Z, appendix B-20, will be received by transceiver (or by messenger where the storage facility is immediately adjacent to the DSC) directly into the DSCs computer, subjected to a document validation process, and processed into the Due-In File to clear Due-In records and into the NIR to post on-hand asset information. Financial records are adjusted as a result of processing valid MRCs.

c. A maximum period of one working day after receipt of the MRC is established for the DSCs to process the receipt action and update the inventory records.

d. DoD 4000.25-2-M, MILSTRAP, has established one to seven calendar days as the performance standard for processing receipts from contractors (DIC D4_). Statistical data is provided monthly via the F-51, Materiel Receipt Processing and Analysis Listing (section VI, paragraph 203606).

203303 - VALIDATION OF MATERIEL RECEIPT DOCUMENTS

a. All MRCs received at a DSC are processed against the Receipt History File (RECHF) to provide a check to ensure that Duplicate Receipt Documents are not processed within a 120-day period. Duplicate documents are processed IAW appendix E-020 V.

b. Each MRC received by the DSC for processing is passed through a document validation to determine whether the action is proper and can be processed. If the document is found to contain invalid data and processing cannot continue, the document is rejected to the DSO in one of the following formats as prescribed by chapter 49.

(1) Appendix F-117, Uncontrolled Violation Listing.

(2) Appendix F-122, Controlled Violation Listing, DIC ZLR.

c. A two-digit VRC will be mechanically assigned to all violations output documentation for resolution and processing IAW appendix E-020 V.

d. All controlled violations are recorded in the Violation Control File with a mechanical followup suspense to assure receipt of corrected documentation on a timely basis (see chapter 49).

e. Appendix F-151, Receipt Due-In and Inventory Adjustment Violation listing, mechanically provides the number of backorder line(s) and backorder quantities (BB status code) for each line and is used:

(1) To determine the validity of second materiel receipt followup transactions, and

(2) In control processing of receipts and Inventory Adjustment Transactions for proper input sequence by NSN.

203304 - RECORDING RECEIPT TRANSACTIONS BY THE DSC

a. Upon completion of validating the significant document entries in the MRC, the MRC is subjected to a series of additional tests to determine how or if the MRC should be processed to the DSC inventory records. The various tests conducted, and actions accomplished or required as a result of the tests, are described as follows:

(1) If there is no matching Due-In record and the MRC is a reversal, the system will establish the Due-In record if there is a matching record in the Procurement Suspense File.

(2) When a matching Due-In record is found, a test is made to determine if:

(a) The MRC being processed is a suspected duplicate. The suspected document will violate under the following conditions:

1. The posted receipt quantity is equal to the input receipt quantity.

2. The total of both receipts, plus any authorized variance, will cause a recorded overage.

3. The suspected document processing was not input under the reentry violation process.

(b) The input NSN is coded in the NIR as currently being under inventory (see chapter 7) and the received date reflected in the DIC D4_ input is equal to or less than the inventory cutoff date. Additionally, receipts at non-DLA depots are checked to see if the transaction was received at the DSC on or before the day after the inventory cutoff date. If these conditions exist, the system will post the DIC D4_ input quantity to the inventory cutoff balance in the NIR.

b. When a valid MRC is processed by the system, the receipt quantity will post to the Due-In record as follows:

(1) Quantity received in Condition Code A, B, C or E will post in the record as quantity received.

(2) Quantity received in Condition Code L will post to the record as quantity received in litigation and will not reduce the quantity due-in pending results of negotiation with the vendor. (See section V below.)

(3) Quantities received which exceed the authorized due-in quantity, also known as the allowable variance, are mechanically assigned Condition Code L pending resolution by DSO. Authorized due-in quantities are quantities which do not exceed the authorized contract variance plus:

(a) \$25.00 at the contract price for awards made prior to 17 Sep 1979.

(b) \$50.00 at the contract price for awards made 17 Sep 1979 through and including 31 Oct 1981.

(c) \$100.00 at contract price for awards made 1 Nov 1981 through 30 Sept 88.

(d) \$250.00 at contract price for awards made 1 Oct 88 through present day.

(e) Quantities exceeding the above will post to the applicable record as quantities received in litigation and print on appendix F-73, Notification of Condition Discrepancy.

(f) Quantities exceeding the above and discovered at depot level will be reported as Condition Code L receipts. If the materiel otherwise meets the contract acceptance criteria, the receipt transaction will contain Management Code U. When the litigation quantity posts to records a Misdirected and Overage Receipt Notification, F-453, will be output to the DSO to expedite resolution of the overage. The F-453 will also contain Contracting Subsystem Master Amendment transaction (DIC YPE) data headings. If the overage materiel is to be accepted, the DIC YPE transaction will be completed and forwarded to the DP&P to increase the CLIN contract quantity. SAMMS processing of the quantity increase will mechanically create and process a DIC DAC transaction to upgrade the litigation materiel (Management Code U only) to Condition Code A. The DIC DAC transaction will then be forwarded to the depot.

(4) Quantities received against incremental CLINs in excess of the unreceived balance for that CLIN will post successively to other matching incremental CLINs based on EDD (earliest to latest). Quantities received in litigation will post to the CLIN with the earliest EDD provided, a receipt in Condition Code A has not been received. When the CLINs have posted received quantities in A, the quantity received in litigation will post to the last CLIN with a received quantity in A. The quantity variance is applied to the total quantity for all incremental CLINs matching on the first five positions of the CLIN. Quantities received which exceed the due-in quantity plus authorized variance will be mechanically assigned Condition Code L and post as received in litigation to the CLIN with the latest EDD.

c. The system will receive and process MRCs when Condition Code A, B, C, or E does not match the established condition code in the record. The processed unmatched MRCs, except MRCs in Condition E, will be printed on appendix F-73. Receipts that record into Condition Code E will process and create output of the appendix F-98. Reports and listings required as a result of processing receipts and related actions are described in section VI of this chapter.

d. MRCs processed with Management Code R or Z in pos. 72 will result in the output of a F-160, Discrepancy Report Notice. Management Code R indicates a Report of Discrepancy (ROD) is in process. When a receipt cites Management Code R with an issuable condition code compatible with the due-in condition code, the assets will post to the appropriate files in addition to generating the F-160. Receipts received with Management Code R with condition codes as stated in subparagraph c will process as stated above in addition to outputting the F-160.

e. MRCs with Management Code S in pos. 72 will result in the output of a Misdirected and Overage Receipt Notification in the format of appendix F-453. The receipt transaction will also be output as a controlled violation, VRC MY. The report and the violation will be used to research and process the reported misdirected shipment as described in appendix E-020 V. The F-453 and VRC MY violation are not output if the transaction is a reentered violation.

f. All valid MRCs processed by the system will post to the Procurement Contract File, NIR, Transaction History Record, and accountable and financial records.

g. Valid MRCs with Management Code L will post to the files and records indicated in subparagraph d. In addition, a DIC D9A, Loss from Physical Inventory, will be mechanically produced and posted to these records and files. Both documents will be listed and output on appendix F-242, Missing Receipt Notice.

h. Valid MRCs with a manufacturing directive number in pos. 54-56 (L, M, N, P, Q, 7, or 8 in pos. 54-GFM was required) will post to the files and records indicated in subparagraph d. In addition, the quantity received will post to the GFM Control File at DSCP-T.

203305 - PROCESSING RECEIPT REVERSALS

a. The reversal of a materiel receipt posted to the DSC records can be initiated by the DSC or the accountable storage activity. The requirement for a reversal action can develop as a result of the distribution activity discovering that an erroneous receipt action was forwarded to the DSC, or by DSC review of transaction activity which reveals a reporting or processing error. If the accountable storage activity discovers an erroneous receipt action, the storage activity will take corrective action submitting a DIC D4_ reversal transaction to the DSC. On errors discovered by Nonaccountable storage activities, the erroneous action and the correction required are reported to the DSC and the reversal action is fully coordinated with the activity involved if there appears to be any possibility that it will affect the records of the activity.

b. Receipt reversal documents are prepared in the same format as the initial receipt document (see appendix B-20), except for the addition of an X overpunch in the first digit of the quantity field of the reversal input. The X overpunch is required to identify the action as a reversal once the action is validated and enters the standard editing process for receipt transactions.

c. Each Materiel Receipt Reversal Document is passed through essentially the same document validation as that used on the initial receipt action, except for the following significant differences:

(1) NSN. Reversal actions are rejected if the NSN is not the management responsibility of the DSC processing the reversal.

(2) Quantity Field. If the input reversal quantity exceeds the quantity recorded as received in the Due-In record, the action is rejected to the DSO.

(3) On-Hand Balance. When the on-hand balance in NIR is less than quantity reflected in the input document, the on-hand quantity will be reduced to zero.

(4) If the input NSN is under inventory and the received date in the reversal is equal to or less than the inventory cutoff date, the receipt reversal quantity will be subtracted from the inventory cutoff balance in the NIR.

d. Upon completing the validation, search is made to determine if the receipt action which is being reversed has itself been processed. This is done by locating the matching Due-In record and within the Due-In record, the recorded receipt action which matches the reversal. If there is no matching Due-In record in the Due-In File, the system will establish a Due-In record if there is a matching record in the Procurement Contract File; otherwise, the MRC reversal will be rejected to DSO.

e. When a matching Due-In record is found, the system will reduce the posted receipt quantity by the amount of input quantity, increase the

due-in quantity in the record by amount of the input quantity and post the reversal quantity to the Procurement Contract File. Further, the

system will reduce the on-hand quantity in the NIR by the amount of the reversal quantity and if the on-hand quantity in the NIR is less than the input quantity, the on-hand quantity will be reduced to zero. All valid MRC reversals processed by the system will be recorded in the THF.

f. MRC reversal quantities processed against incremental CLINs which exceed the quantity received will reduce successively other matching incremental CLINs based on EDD (latest to earliest).

g. No MRC reversals with Management Code L should be input. These documents will not post to the THF, Due-In File, and NIR OH balance. Rather, they will be output on appendix F-242, Missing Receipt/Lost Shipment Notice.

203306 - RECORDING RECEIPT TRANSACTIONS FOR DIRECT VENDOR DELIVERIES

a. The appropriate D4_ receipt transaction (appendix B-20) for direct vendor deliveries will be mechanically created upon input of a Vendor Ship Notice, DIC YPM. (See DLAM 4715.1, Volume I, Part 1, Chapter 9 for Contract Shipment Procedure.)

b. The mechanically generated D4_ transaction will record the receipt quantity on the On Order Due-In record and simultaneously generate a D7_ issue transaction. When a mechanically generated D4 transaction is for an incremental delivery, one transaction is generated citing the summary CLIN, A, sixth position of CLIN. The matching incremental CLIN(s) in the DIF (match on first five positions of CLIN) are posted with the receipt and simultaneously, one D7 issue transaction for the total quantity received is generated.

c. The mechanically created D4_ and D7_ transactions will be processed to the DSC financial record and the RCSF. When incremental deliveries are processed to the financial and RCSF records, one transaction for total quantity citing the summary CLIN is passed to the financial subsystem; one transaction for total quantity is passed to RCSF on the requisition number. The action and decisions involved in the mechanical process of recording receipt transactions for direct deliveries are reflected in chapter 43.

SECTION IV - FOLLOWUP AND REPLIES BASED ON CONTRACT SHIP NOTICE

203401 - GENERAL

a. Upon receipt of a Notice of Shipment (Postcard, DPA Shipment Notice, Fast Pay Invoice, DD Form 250, Materiel Inspection and Receiving Report, EAM Card Notice) from the contractor or contract administration office, evidence of shipment will be established in the Due-In records by input of a Contract Ship Notice, DIC YPM, in the format of appendix B-12, DLAM 4715.1 (see DLAM 4715.1, Volume I, Part 1, Chapter 9 for procedures applicable to processing DIC YPM). When the YPM transaction is processed by the automated system it will update the Due-In File to reflect the following data:

(1) The actual shipped quantity or 9 filled in the shipped quantity field when the actual shipped quantity is not known.

(2) The Mode of Shipment Code (see appendix A-17).

(3) The shipped date, representing the actual date shipment was made.

(4) When shipments are posted against incremental CLINs, the total quantity shipped will post to the ACF on the summary CLIN. Posting to the Due-In File will start with the matching incremental CLIN (match on first five positions of CLIN number) citing earliest EDD. Any overage that does not exceed authorized due-in (extended dollar value greater than \$50.00) will post to the last CLIN.

b. If the YPM transaction has not been recorded, then the DIC YWA transaction (funds disbursement document) will record the necessary shipment data, i.e., shipped quantity, mode and date shipped, in the ACF and the DIF. This transaction is input by the Office of Comptroller to the Finance Subsystem and will post to both ACF and Due-In File.

c. The posting of contractor shipment information to the Due-In File signals the system to generate followups as indicated below, and processing of receipt followup actions and replies thereto on receipts due-in from procurement sources:

(1) Forty five days (consecutively) initial followup date from the posted shipped date.

(2) Ten days (consecutively) second followup date from initial posted followup date.

d. The Due-In File will be mechanically reviewed on a weekly or monthly basis for Stock Replenishment records (TDIC SD_) as indicated below.

(1) Weekly followup action for a delinquent posted contractor shipped date, DIC DXA, appendix B-59.

(2) Monthly generation of the Monthly Delinquent Due-In from Procurement Dreg-End Balance Report (appendix F-238) for records with no posted shipped date, in the DIF, no posted followup date in the ACF, final payment recorded in the ACF and a past due EDD.

203402 - FOLLOWUP ACTION ON RECEIPTS DUE-IN FROM PROCUREMENT SOURCE

a. When the established 45 days followup date is reached, the system will generate a materiel receipt followup transaction (DIC DXA, appendix B-59) for transmission to the applicable distribution depot.

b. The materiel receipt followup transaction will be for those Due-In records with delinquent receipts and will reflect the quantity difference as indicated below:

(1) The quantity difference of the posted received quantity and the posted shipped quantity, when the Due-In record contains the actual quantity shipped.

(2) The quantity difference of the due-in quantity and the posted received quantity, when the Due-In record contains a 9 filled in the shipped quantity field.

c. If 55 days after the ship date the materiel still has not been received, the system will generate a second Materiel Receipt Followup Document, DIC ZDX, appendix B-60. The second followup document, DIC ZDX, is forwarded to DSO to initiate followup action to DP&P or to initiate tracer action as appropriate, in view that the materiel has been intransit for 55 days since evidence of shipment was furnished from the contractor.

d. All materiel receipt followup transactions generated against incremental CLINs, will be summarized on one transaction citing the summary CLIN (A in the sixth position) for all such CLINs meeting the above criteria. In addition, the EDD cited on the followup will be the latest EDD reflected among all applicable incremental CLINs.

e. The output of first materiel receipt followup transactions will be suppressed if the followup NSN, PIIN (Document Number), and CLIN (Supplementary Address) match an open receipt violation. Second materiel receipt followup transactions matching open receipt violations (by NSN) will be separately identified on appendix F-294, Second Materiel Receipt Followup Document Listing.

203403 - PROCESSING MATERIEL RECEIPT FOLLOWUP REPLIES

a. Upon receipt of the Materiel Receipt Followup Transaction, DIC DXA, the distribution activity searches its records and forwards to the DSC a followup reply as indicated below.

b. When records indicate a quantity remaining due-in a Reply to Materiel Receipt Followup Transaction, DIC DXC, appendix B-59, will be sent to the DSC indicating the quantity remaining due-in in pos. 25-29. No action will be taken by the DSC as a Second Materiel Receipt Followup Transaction, DIC ZDX, appendix B-60, will be generated in 10 days if a receipt has not been processed in the meantime.

c. When records indicate receipt documents have been processed duplicate MRC documents will be prepared, DIC D4_, appendix B-20, by the distribution activity and forwarded to the DSC. The duplicate check against the Receipt History File will screen MRC documents previously processed in SAMMS. Nonduplicate documents will be processed as original receipts.

d. When records indicate a DXA matches the suspended receipt file, a Reply to Materiel Receipt Followup, DIC DXC with 997 in pos. 73-75 will be returned to the DSC. The quantity in pos. 25-29 indicate the suspended quantity. If by ten consecutive days, the quantity still remains open, another Second Materiel Receipt Followup, DIC ZDX, appendix B-60 will be output to DSO.

e. When no record of the due-in is found by the distribution activity a Reply to Materiel Receipt Followup Transaction, DIC DXC, appendix B-59, will be sent to the DSC citing 998 in the Date field, pos. 73-75. Replacement PMRCs for incremental CLINs will be generated as specified above (see paragraph 203210b).

203404 - FOLLOWUP ACTIONS WHEN PRODUCTION PROGRESS REPORTS, DD FORM 375,
RECEIVED

- a. The purpose of the Production Progress Report is to provide the Government with information on the status of contract performance or deliveries. Documents included in this series are DD Form 375. Production Progress Report; DD Form 375c, Production Progress Report (Continuation Sheet); and DD Form 375-2, Delay in Delivery (Flash Notice).
- b. DD Form 375 is prepared by the Contractor or Contract Administration Office; DD Form 375c and DD Form 375-2 are initiated by the Contract Administration Office only.
- c. When a contract delinquency or default occurs, the Defense Contract Administration Services, the Procurement Contracting Officer, and the Inventory Manager are notified. The Purchasing Office will take timely action as deemed appropriate to resolve the situation outlined in the report including the proper input to SAMMS to update computer records.
- d. The Item Manager will receive a copy which is to be used for information purposes only. The shipment/delay status information will be considered prior to processing a follow/status request as prescribed in appendix E-506 P.

SECTION V - PROCESSING DISCREPANT RECEIPTS

203501 - GENERAL

- a. When discrepancies such as loss, damage, destruction, and/or other related discrepancies are detected by the distribution activity upon receipt of materiel from contractual sources, the distribution activity will suspend the receipt, pending litigation with the contractor by the DSC and forward a MRC, DIC D4_, with Condition Code L to the DSCs (see section III above for receipt transaction processing).
- b. Misdirected shipments, contract overage quantities and administrative type discrepancies may be resolved through the Rapid Report of Discrepancy (ROD) Interrogation Program (RRIP) as described in appendix E-007 P. Under this program the receipt discrepancy is reported and the materiel disposition decision is forwarded telephonically. If the decision is to accept the materiel, the receipt is reported in Condition Code A concurrent with the DSC actions to update SAMMS Files to accept the materiel. See appendix E-007 P for definitive instructions for the RRIP.
- c. When materiel is found to be defective due to vendor discrepancy during normal storage surveillance operation, and was previously received from procurement source and reported to the DSC as acceptable, the distribution activity will prepare and transmit to the DSC a Materiel Adjustment Document, DIC DAC, with a Condition Code change to L (litigation as a result of latent defects). When the original receipted CLIN cannot be determined, the depot will submit a DAC citing a Dummy

CLIN using CQ, SF, UK or RC in pos. 49-50 (i.e., 0001SF) or all zeros in pos. 45-50 (i.e., 000000). SAMMS will attempt to match the DAC against

an existing Due-In record on all criteria except CLIN. If there is a match, the DAC CLIN will be overlaid with the correct CLIN and continue processing. If no matching Due-In is found or there is an insufficient quantity, a Due-In will be established with a Type Due-In Code L. The defective materiel will be suspended by the distribution activity pending litigation with the contractor by the processing DSC. (See paragraph 203506 below for processing of Inventory Adjustment Actions.)

d. In addition to forwarding the D4_ and/or DAC documents mentioned above, the distribution activity will prepare and distribute supporting discrepancy documentation to the DSC, and if applicable, to GSA IAW volume I, chapter 3, this manual. Discrepancy reports will not be submitted for misdirected shipments and contract overages resolved (accepted) through the Rapid Rod Interrogation Program (see appendix E-007 P).

e. Discrepancy reports submitted by distribution activities will be processed by the DSC and appropriate disposition instructions furnished the distribution activity within 30 days from receipt of the report.

f. The Due-In File will be used by the DSC to control all reported conditions as required (see paragraphs 203505, 203506, and 203507 and chapter 5) and processed into the system to clear the recorded Condition L quantity from Due-In File and NIR.

g. During the internal DSC processing of an MRC in Condition L, a Discrepancy Report Notice, appendix F-160, is prepared and forwarded to DTO. This form is processed IAW the instruction/procedures contained in appendix E-303 P and establishes the initial suspense record pending receipt of related discrepancy report(s); or serves as the control record pending final processing of the discrepancy report received from the distribution activity.

203502 - PROCESSING SF 361, DISCREPANCY IN SHIPMENT REPORT (DISREP) FOR OVERAGES, SHORTAGES AND/OR DAMAGED SHIPMENTS

When overages, shortages, and/or damages occur in shipment, the DSC will receive SF 361 from the distribution activity. Subsequent processing and distribution of this form will be IAW the instructions contained in appendix E-398 P.

203503 - PROCESSING SF 361, DISCREPANCY IN SHIPMENT REPORT (DISREP) FOR REPORT OF SURVEY

When a report of survey is required as a result of unresolved discrepancies in shipments, DSC will receive SF 361 from the distribution activity. Subsequent processing and distribution of this form will be IAW instructions contained in appendix E-398 P.

203504 - PROCESSING SF 363, DISCREPANCY IN SHIPMENT CONFIRMATION (DISCON) FOR DAMAGED OR ASTRAY FREIGHT, PARTIAL LOSS, OVERAGES AND SHORTAGES IN SHIPMENTS WHEN THE KNOWN DOLLAR VALUE DOES NOT EXCEED \$25

When damaged or astray freight, partial loss, overages and shortages occur in shipments, and the known dollar value does not exceed \$25, the DSC will receive SF 363 from the distribution activity. Subsequent processing and distribution of this form will be IAW the instructions contained in appendix E-398 P. In addition, where the requirement exists to provide disposition instructions to the reporting depot, the reverse side of the SF 363 will be utilized.

203505 - PROCESSING SF 364, REPORT OF ITEM DISCREPANCY

a. When shipments are received in a damaged, improperly prepared, or in an otherwise unsatisfactory condition, and the point of inspection/acceptance is origin, the DSC will receive the SF 364 from the distribution activity. The report will be processed IAW the procedures contained in appendix E-398 P.

b. When a receipt processing reveals an overage, unsatisfactory, unserviceable, or rejected receipt and the related Procurement Instrument, i.e., Contract, Delivery Order, Purchase Order, specifies DSC as the office administering the contract, DTO will receive SF 364 from the distribution activity and take the following actions:

(1) Update the related Discrepant Report Notice (DRN), appendix F-160, to reflect the date SF 364 was received and establish a suspense date of 30 days for internal processing. Appendix E-303 P contains the details regarding the use of the DRN.

(2) The discrepancy report, SF 364, and any other forms (i.e., DD Form 250) received with SF 364, will be forwarded to DP&P for resolution of the discrepancy.

c. When DP&P receives the forms specified in subparagraph a(2) above, the forms will be processed and distributed IAW the instructions contained in appendix E-398 P. This appendix also includes those actions to be taken by DSO, Office of Comptroller, and/or ODS, when the action/information copies of the completed forms, (i.e., DD Form 250) are distributed.

d. When both packaging discrepancies and item discrepancies are noted on the same shipment, both blocks at the top of the SF 364 must be checked and both types of discrepancies reported.

203506 - PROCESSING OF INVENTORY ADJUSTMENT ACTIONS ON DISCREPANT RECEIPTS

a. A basic policy, on discrepant receipts from a procurement source, is that the contract will not be considered complete until the discrepancy is resolved. Therefore, discrepant quantities received are considered still due-in, on the basis that the contractor may be required to replace the discrepant materiel with acceptable materiel under the existing contract. Posting a discrepant receipt in the Due-In record also prevents the completion (closing) of this record until the discrepancy is cleared by subsequent action. The inventory adjustment action described herein is designed to clear or update all subsidiary records affected by a discrepant receipt, in addition to accomplishing normal adjustments to the DSC inventory records.

b. When the decision is made by the DSC to either retain or dispose of discrepant materiel, inventory adjustment actions required are:

(1) If stock is to be retained and placed in an issuable condition, the distribution activity is to be advised by the DSC to prepare a

Materiel Adjustment Document, DIC DAC, appendix B-22, to transfer the stock from Condition Code L to A.

(2) If stock is to be transferred to the DPDO, the transfer will be accomplished by processing an Issue Transaction Document for Transshipment of Suspended Receipts, DIC ZLD, appendix B-167, for processing as an exception type DRO IAW appendix E-031 P.

(3) DLA distribution activities will be notified to submit a DIC DAC transaction citing Management Code B, pos. 72, to transfer materiel from Condition Code L to A when the determination has been made that receipt overages are to be retained at no additional cost to the Government.

c. At the DSC, the adjustment is channeled into the proper editing routine by selecting the DAC transactions applicable to receipts from procurement sources on which the From Condition Code is L. Validation of the document entries is essentially the same as that outlined for validation of MRCs (see section III, paragraph 203303) with minor deviations to accommodate data elements peculiar to adjustment transactions. All reject documents produced during the validation process are routed to the DSO for review.

d. Valid adjustment actions are matched against the DSC Due-In records, and the following actions are taken:

(1) If there is no matching Due-In record, the adjustment document is rejected for review and processing IAW chapter 5.

(2) When a matching Due-In record is found, the receipt quantity in Condition Code L is deleted.

e. The Due-In record is then reviewed to determine if the accomplished correction will complete action on the total quantity due-in for the location, NSN, and contract involved in the adjustment. If it will, the Due-In record is closed as an active record. (It will, however, remain in the active file for 45 days to permit preparation of reports and accumulation of statistics.) If there are other receipts in Condition Code L which have not been resolved, or if the total quantity due-in has not been received, the file remains open.

f. The transaction then reviews the on-hand balances in the NIR in Condition Code L at the location involved by the adjustment, to determine if it is equal to or greater than the adjustment quantity. If it is not, the adjustment cannot be completely processed, and the action is rejected for review and processing IAW chapter 5. If there is a sufficient on-hand quantity, the transaction accomplishes normal adjustment actions applicable to a DAC transaction (transfer the quantity between the condition codes indicated; prepare transaction and financial records).

203507 - PREPARATION/PROCESSING OF AN ISSUE TRANSACTION DOCUMENT

a. The DSO will prepare an Issue Transaction Document for Transshipment of Suspended Receipts, DIC ZLD, in the format of appendix B-167, when the disposition instructions on SF 364, direct the distribution activity to return the materiel to the contractor/vendor; or ship to the appropriate consignee. A Due-In Indicator Code of D

will be entered in the input document (see appendix B-167) to retain the Due-In record in the Due-In File when instructions on the SF 364 indicate the contractor will take resupply action. Use of Due-In

Indicator Code D retains (TDIC SDS) or reestablishes (TDIC ZDS, L) the Due-In record until receipt of acceptable stock from the vendor, and will delete the ship date from the Due-In File. When no Due-In Indicator Code (blank) is used, this states that the vendor will not reship and DLA will not receive stock for the due-in in question. The record will close and no PMRCs will be established.

b. Each Issue Transaction Document prepared by the DSC for processing is passed through a document validation to determine whether the action is proper and can be processed. If the document is found to contain invalid data and processing cannot continue, the document is rejected to the DSO for resolution and processing IAW appendix E-167 V.

c. When a valid Issue Transaction Document, DIC ZLD, is processed into the Automated system, it accomplishes the following actions:

(1) Clears discrepant receipt indicator from receipt record, DIC D4_.

(2) Reduces discrepant receipt quantity in the receipt record by the quantity shown on input document.

(3) Decreases quantity in Condition L in the NIR by the amount shown on input document.

(4) Removes the posted ship date from the DIF record.

(5) Creates Financial Records and/or Transaction Activity Records in the required format.

(6) Retains or deletes the Due-In record in the Due-In File based on entries in the Due-In Indicator field of the input document (see appendix B-167).

(7) Creates a DRO, DIC A5J, in the format of appendix B-32 or an Exception Data MRO, DIC A5E, in the format of appendix B-7, and a Document Number Cross Reference Listing, in the format of appendix F-100, for output to the DSO.

d. Upon receipt of the output specified in subparagraph c above, the DSO will process the DRO, DIC A5J, IAW provisions of chapter 12, or the Exception MRO IAW provisions of chapter 4.

203508 - PROCESSING DUE-IN REVERSAL TRANSACTION DOCUMENT

a. When an Issue Transaction Document with a D in the Due-In Indicator field (instructions to retain Due-In record, see paragraph 203506) has been previously processed against the Due-In record and the contractor fails to take resupply action, DSO will prepare a Due-In reversal document, DIC DD_, in the format of appendix B-41 to cancel the Due-In record (TDIC ZD_ only) that was reestablished in the Due-In File as a result of the discovery of latent defects.

NOTE: When a CLIN is closed in the ACF upon final receipt, and the expended quantity is less than the quantity on order under the contract (Contract Variance), a Due-In reversal is not required since record update is accomplished automatically as a result of the ACF and DIF being online. However, a DIC ZLE transaction will be generated to adjust the ROP comparison quantity.

b. Each Due-In reversal document prepared by the DSC for processing is passed through a document validation to determine whether the action is proper and can be processed. If the document is found to contain invalid data and processing cannot continue, the document is rejected to the DSO for resolution and processing IAW appendix E-042 V.

c. When a valid Due-In reversal document is processed into the automated system, it accomplishes the following actions:

(1) Reduces the due-in quantity in the Due-In File by the amount of the input quantity.

(2) Records the Due-In reversal action in the Transaction History Record.

(3) Prepares a reversal to a PMRC in the format of appendix B-18, reflecting the quantity that was reversed from the Due-In record and, if applicable, a replacement PMRC for the remaining quantity recorded as due-in. The PMRC is forwarded to the applicable distribution activity.

203509 - PROCESSING RECEIPTS OF DELETED ITEMS

MRCs bearing an NSN which has been officially deleted from the system will be listed on the F-280, Recommended Disposal Actions Printout.

203510 - COMPTROLLER PROCESSING OF EXPENDITURE AND BILLING WHEN CONTRACT FILE AND REQUISITION ARE ERRONEOUSLY CANCELED

a. Comptroller will contact DP&P advising that disbursement action violated due to a cancellation action code closing the line item in the active contract file. The Comptroller will advise DP&P of the PIIN, CLIN, NSN, REQ NR, and QUANTITY.

b. DP&P will request MSO, DSO to establish a PR number for reprocessing of award.

c. MSO, DSO will reinstate after the requisition has closed to dump (SZCW Remote reads unmatched). A walk-thru PR (ADC#) will be established by coding a V in pos. 77 of DLA Form 934. The appendix F-189 (Notice of Backorder Status Change) will output MSO, DSO and will be provided to DP&P for reprocessing of award.

d. DP&P will process the award and advise Comptroller to process expenditure and billing.

SECTION VI - FILES AND REPORTS

203601 - GENERAL

a. This section describes the DSC files having primary applicability to the processing of Due-In/receipts from procurement and related actions. These files are maintained in conjunction with the general provisions of chapter 2, volume I, this manual, as it pertains to content and control of records or files.

b. Reports described in this section are those having direct application to processing of due-in or receipt actions, where the information is required for analysis or control and is not otherwise readily available.

203602 - DUE-IN/RECEIPT FILE AND/OR INQUIRIES

a. The Due-In/Receipt File records will consist of the data elements as reflected in appendix F-184, Due-In File Printout Inquiry List. These elements prescribe the basic minimum essential data comprising the record.

b. The Due-In File will be used for controlling all items, managed by the DSCs, that are due-in/received from contractual sources and other than contractual sources. This file will be updated at least once daily and completed Due-In/receipt records will be retained in the file for a period of 45 days after final receipt has been cleared.

c. When it is desired to interrogate the Due-In/Receipt File, the DSO will prepare a Due-In File Inquiry, DIC ZCJ, in the format of appendix B-117. When the valid Due-In File Inquiry Document is processed by the system, a Due-In File Printout will be produced as follows, based on the Action Code reflected in the input document:

(1) Action Code KE - Due-In File Printout for requested NSN by Locations.

(2) Action Code KI - Due-In File Printout for requested NSN only.

(3) Action Code KK - Due-In File Printout for requested NSN and applicable Document Number(s).

(4) Action Code KL - Due-In File Printout for requested NSN and applicable TDIC.

d. The Active PR File, a Procurement Subsystem record, reflects various data concerning each PR generated. Supply personnel are required to update this file through the use of DIC YPW transactions as outlined in appendix B-146. The Active PR File may be interrogated through the use of DIC YPH transactions as outlined in appendix E-506 P. In the event the PR has been awarded, and no record exists in the Active PR File, the system will interrogate the Inactive PR File. The Interrogation Reply will make reference by PR/PRLI to the PIIN/CLIN.

203603 - APPENDIX F-1, REPORT OF CONDITION CODE L ASSETS AND DELINQUENT RESUPPLY DUE-IN

a. This report provides a listing of items which have on-hand balances in Condition Code L and a listing of delinquent resupply due-in which were the result of prior litigation action. This report will be used by the DSCs as a control and followup to assure receipt and timely resolution of discrepancies/due-in.

b. The report is prepared on a monthly basis.

203604 - APPENDIX F-43, RECOMMENDED BUY/REPAIR DISCREPANCY REPORT

a. This report provides a listing of Recommended Buy/Repair actions which manager decisions have processed into an error condition. The DSCs will use this report to identify the errors for continued processing IAW the applicable E appendices.

b. The report is prepared on a daily basis.

203605 - APPENDIX F-49, DELINQUENT RECOMMENDED BUY/REPAIR ACTION REPORT

a. This report provides a listing of Recommended Buy/Repair actions which are over five days old. The DSCs will use this report to followup with managers on those Buy/Repair actions that are over five days old and suspended for manager review and approval.

b. The report is prepared on a daily basis.

203606 - APPENDIX F-51, MATERIEL RECEIPT PROCESSING AND ANALYSIS LISTING

a. This printout provides statistical data necessary to perform monthly analysis of materiel receipt process. It is used in the preparation of the Depot Storage Operation Workload Forecast, and for data elements 94 and 128 of the RCS DLA(M)26(C)MIN report.

b. It is further utilized to extract data on K coded items (Rebuys on Logistics Reassignment Items) for transmission to DLA on a monthly basis. These items are transmitted on the Logistics Reassignment Materiel Receipt Processing and Analysis Transaction, (appendix B-45).

c. The F-51 report is prepared on a monthly basis.

203607 - APPENDIX F-73, NOTIFICATION OF CONDITION DISCREPANCY

a. This printout provides a listing of materiel receipts classified to a condition other than the condition ordered. The DSCs will use this report as a management tool, to review, analyze, and determine if materiel should be accepted for issue or suspended for litigation.

b. The listing is prepared on a daily basis.

203608 - APPENDIX F-90, MONTHLY DELINQUENT DUE-IN FROM PROCUREMENT
STATUS REPORT

a. This printout provides a detailed listing of dues-in from procurement which are overdue and the materiel has not been reported as intransit or received. The DSCs will use this report to followup on delinquent dues-in.

b. The printout is prepared on a monthly basis.

203609 - APPENDIX F-100, DOCUMENT NUMBER CROSS-REFERENCE LISTING

a. This listing provides document number data required to relate MROs applicable to SF 364. The DSCs will use this printout to check cross-reference data when processing MROs for SF 364.

b. The listing is prepared on a daily basis.

203610 - APPENDIX F-160, DISCREPANCY REPORT NOTICE

a. This printout provides a notice of MRCs (D4_/D6_) which required supporting documentation (SF 364/TWX). The printout will be used, reviewed, and processed by the DSCs IAW the applicable E appendices.

b. The printout is prepared on a daily basis.

203611 - APPENDIX F-184, DUE-IN FILE PRINTOUT INQUIRY LIST

a. This printout provides a writeout of the due-in/receipt activity. The DCSS will use this printout as required in the course of day-to-day processing of due-in/receipts and related actions.

b. The printout is prepared as required by the DSC.

203612 - APPENDIX F-185, MONTHLY SUMMARY OF DELINQUENT DUES-IN REPORT

a. This printout provides a summary of total Due-In records, dollar value for these open dues-in, Due-In records from procurement sources, redistribution orders, customer sales returns which are overdue, and materiel has not been reported as intransit or received. Dollar value is also provided for the past due records. The DSCs will use this printout as a management tool to determine the effectiveness of the Due-In program.

b. The printout is prepared on a monthly basis.

203613 - APPENDIX F-235, TOTAL SYSTEM RECOMMENDED BUY/REPAIR AGING
REPORT

a. This report provides a listing of all Recommended Buy/Repair items that are over five days old. The DSCs will use this report to review and analyses daily workload for determining disposition action required.

b. The report is prepared on a daily basis.

203614 - APPENDIX F-236, DAILY SUMMARY OF RECOMMENDED BUY/REPAIR REPORT

a. This report provides a summary report of daily generated Buy/Repair Recommendations. The DSCs will use this report to determine the number of daily generated recommendations for Buy/Repairs to be worked and number of Buy Transactions approved and released for purchase processing.

b. The report is prepared on a daily basis.

203615 - APPENDIX F-237, MONTHLY SUMMARY OF MANAGER ADJUSTMENT TO BUY/REPAIR RECOMMENDATIONS

a. This report provides a summary report of all adjustments initiated during the month against buy/repair recommendations. The DSCs will use this report as a management tool to determine the effectiveness of mechanical requirement computations and what impact manual adjustments have on procurement and budget programs.

b. The report is prepared on a daily basis.

203616 - APPENDIX F-238, MONTHLY DELINQUENT DUE-IN FROM PROCUREMENT DREG-END BALANCE REPORT

a. This report provides a listing of those Due-In records from contracting where the contract delivery date has expired, final payment has been recorded and the receipt quantity is less than the due-in quantity.

b. This report is prepared on a monthly basis.

203617 - APPENDIX F-242, MISSING RECEIPT/LOST SHIPMENT NOTICE

a. This report provides a listing of receipt documents for materiel that was received at a depot, but subsequently cannot be located.

b. Materiel has been lost intransit, the DSC has evidence of shipment, but the depot has no evidence of receipt, tracer action has not been successful.

c. This report is prepared on an as occurring basis.

203618 - APPENDIX F-294, SECOND MATERIEL RECEIPTS FOLLOWUP DOCUMENT LISTING

a. This report provides a listing of Second Materiel Receipt Followup Documents, DIC ZDK and ZDX, for management review, and it also enables supervisory personnel to maintain control over workload and document distribution.

b. Parts A-H are prepared on a weekly basis. Part J is prepared as required.

203619 - APPENDIX F-297, LISTING OF OUTSTANDING SECOND MATERIEL RECEIPT FOLLOWUP DOCUMENTS

a. This report provides a listing of all outstanding Second Materiel Receipt Followup Documents sequences by depot location and NSN showing the extended dollar value per line and total dollar value of outstanding Second Materiel Followup Documents. The report is used to monitor progress made in processing second followups and it can also be used as source data for command briefings and any required contact with the depots.

b. The report is prepared on a monthly basis.

203620 - APPENDIX F-401 ARMY REPLACEMENT PMRD LISTING

a. This is a listing of PMRDs generated to Army Depots by the DSC on a semiannual basis and in part contains by depot the number of transactions generated.

b. Part A is a listing of Procurement Instrument Source transactions; Part B is other than procurement instrument source.

c. The MSO in DSO is responsible for reviewing and mailing a copy of the listing to DLA-OSC.

203621 - APPENDIX F-31 (CONTRACTING SUBSYSTEM), PURCHASE REQUEST RETURNED TO SUPPLY (APPENDIX F-443 TO DLAM 4140.2, VOLUME II)

a. This report, which is generated by the Contracting Subsystem, provides a listing of those PRs returned to DSO by Contracting. As part of this report, the system prepares a summary of the number and dollar value of PRLIs returned by Reason for Return Code.

b. The F-443 Purchase Requests Returned to Supply listing will be used in DSO by personnel in MSO, the Inventory Management Divisions, and at the option of the DSC, the Stock Control Division.

(1) Personnel in MSO will be responsible for monitoring those PRs on the F-443 Report to ensure that the appropriate action is taken to complete file cleanup.

(2) Personnel in the Inventory Management Divisions and/or Stock Control Division are responsible for determining the location of the PRs, dropping the applicable DIC YPW, and if required, completing the necessary forms to effect file cleanup.

c. This report is prepared on a weekly basis.

203622 - APPENDIX F-57 ACTIVE CONTRACTS WITH EXPIRING OPTIONS - NSN (CONTRACTING SUBSYSTEM) (APPENDIX F-246 TO DLAM 4140.2, VOLUME II)

a. This weekly report, which is generated by the Contracting Subsystem, notifies DSO that an Option Provision Date is about to expire

within the next 45 days. The NSN will be listed repeatedly until the Option Provision Date expires.

b. Personnel in the Inventory Management Divisions are responsible for reviewing the asset position of the NSNs listed; and if appropriate, initiate a procurement recommendation to exercise the option quantity.

203623 - APPENDIX F-96 ACTIVE/CANCELED PURCHASE REQUEST LIST
(CONTRACTING SUBSYSTEM) (APPENDIX F-444 TO DLAM 4140.2, VOL II)

a. This report, which is generated by the Contracting Subsystem, is utilized by DSO to determine the status of a PRLI at any given point in time prior to award. This report is designed to alleviate the need to interrogate the Active PR File in most instances where additional PR status is required prior to taking specific action.

b. In addition, this report is used as a reference in the processing of DIC YPW transactions for inputting data to the Active PR File for proper control of PRs between directorates.

203624 - APPENDIX F-98, NOTIFICATION OF RECEIPT FROM PROCUREMENT IN
CONDITION E

a. This report provides a notice to the DSO that a distribution activity has processed a materiel receipt in Condition E which requires subsequent reclassification by the depot and possible followup action by the DSC.

b. This report is prepared daily, as receipts in Condition E are posted.

203625 - APPENDIX F-453, MISDIRECTED AND OVERAGE RECEIPT NOTIFICATION

a. This report provides a notification of receipts reported by the depot as misdirected shipments (Management Code S) or contract quantity overages (Management Code U) and for which the materiel otherwise meets the contract acceptance criteria.

b. This report is prepared multidaily, as receipts with Management Codes S or U are processed.

203626 APPENDIX F-345, MATERIEL RECEIPT DISCREPANCIES

a. This report provides a listing of receipts processed with Management Codes C, S, and U, a listing of Management Code C and U Condition Code L receipts that were transferred to Condition Code A, and a listing of Management Code S, Condition Code A receipt violations reflecting the number of days to complete receipt action.

b. This report is produced on a monthly basis.