

APPENDIX E-031 P

RECOMMENDED DISPOSAL **DOCUMENTS**

1. PURPOSE

This appendix is applicable to chapter 12 and covers the processing of mechanically generated appendix B-31, Recommended Disposal **Documents**, DIC ZLC which are furnished on a quarterly basis as a byproduct of item stratification. DIC ZLCs are also mechanically produced whenever materiel is picked up at attrition sites under DICs D6_, D8_ and D8F_, emanating from logistics transfers (DICs DEE/DEF), D9_(X) reversals (except D9F_), and the Condition Code is other than A or B; or the Condition Code is A or B and the NSN on the DIC which reported the materiel, i.e., DICs D6_, D8_ and D9_(X) reversal has no backorders, no dues-in, the Demand Value Code in the NIR is other than E or Z, (i.e., SSCs 2, 3, or 9) and the on-hand assets are equal to or greater than the MAP Reimbursable level multiplied by 2, or whenever a DIC DZH transaction with Condition Code H is received. This process of automatically disposing of materiel at attrition sites does not apply if there is an NSN or location freeze on the item. The manual preparation of DIC ZLC is also covered, to effect transfer of excess materiel to property disposal activities anytime that unanticipated changes in requirements, retention criteria, or asset position justify disposal action.

2. APPENDICES USED IN THIS PROCESS

- a. Appendix A-13, Management Codes.
- b. Appendix B-2, Issue Transaction **Document**, DIC D7J.
- c. Appendix B-31, Recommended Disposal **Document**, DIC ZLC.
- d. Appendix B-32, Disposal Release Order **Document**, DIC A5J.
- e. Appendix B-33, Deleted Item Report and Reply **Document**, DIC CK/CKH.
- f. Appendix F-33, Disposal Transaction Summary.
- g. Appendix F-50, Distribution Exception List.
- h. Appendix F-167, Standard Supply Control Study.

3. RESPONSIBLE ORGANIZATIONAL ELEMENT

Commodity Branches (e.g., IM, identified by ORCs), Inventory Management Division, DSO, are responsible for the preparation/processing of Recommended Disposal **Documents**, for disposition of excess materiel.

4. PROCEDURES/INSTRUCTIONS

a. DSCs will establish a Minimum Economical Disposal Value and Maximum Automatic Disposal Value for application to those items in an excess position. On a quarterly basis, excess items falling between the minimum and maximum dollar values established will be automatically disposed of without IM review unless the item is assigned a Price Reduction Indicator Y. The Y indicator will be cited in the header data of Supply Control Studies when applicable.

b. Mechanically prepared DIC ZLCs will be furnished for manual review for Price Reduction Indicator Y items and items which exceed the Maximum Automatic Disposal Value.

c. Input of a mechanically generated DIC ZLC or a manually prepared Recommended Disposal **Document** results in the assignment of a document number, IAW appendix C-2, the assignment of the correct RMO AAC (supplementary address), and the MTD/AAC (supplementary address) and the MTD/DTD. The mechanical assignment of the document number and RMO AAC will cause any preassigned data in these fields to be overlaid. This input will cause the creation of an Issue Transaction **Document**, DIC D7J, appendix B-2, which in turn generates the DRO, DIC A5J, IAW appendix B-32.

d. Input of DIC ZLC with a zero filled retention quantity will cause blanket disposal of all purpose codes for the condition code and location specified on the input transaction. When disposal of a specified purpose code, condition code and location is desired the retention quantity should be left blank.

e. All DZH transactions with Condition Code H will be automatically disposed of. The DIC D7J transaction will always have a quantity of one, pos. 25-29 to match the DIC D8A transaction with a quantity of one pos. 25-29. The DIC A5J transaction will always have zeros in the retention quantity field, pos. 55-61. This whole process is accomplished mechanically, and keeps Condition Code H materiel from appearing on the NIR where it often remains for long periods of time until resolution.

f. Mechanically prepared DIC ZLCs will be processed by the IM as follows:

NOTE: The Deleted Item Report **Document** (DIC CK8) process can create a mechanically prepared DIC ZLC. As a result of research, if the decision is to retain stocks, then a manual DIC CKH **document** is needed. Manual

preparation of this **document** can be accomplished by using information provided by the controlled violation and the NIR provided with VRC CQ or by use of a requested THF printout.

(1) Check quantity, pos. 25-29, to ensure that the recommended total disposal quantity is desired. If not, insert new quantity.

(a) A blank retention quantity field (pos. 55 through 61) indicates that the exact quantity in the quantity field (pos. 25-29) is to be transferred to the RMO.

(b) A zero filled retention quantity field (pos. 55-61) indicates that the total quantity of materiel in stock, in the condition shown in the Condition Code field, will be transferred to the RMO, regardless of the quantity appearing in the quantity field.

(c) When a quantity is shown in the retention quantity field this indicates that this amount of stock, in the condition shown in the Condition Code field will be retained in storage and the residual quantity will be transferred to the RMO.

(d) In these situations where the quantity recorded in the NIR at a specific location (Condition and Ownership/Purpose Codes identical) exceeds 99,999 and additional disposal **documents** are mechanically or manually prepared, the retention quantity must be the same in all **documents** i.e., all blank, all zero filled, or the exact same quantity in each **document**.

(2) If there is more than one Ownership/Purpose (O/P) Code recorded for the NSN, leave the retention quantity blank. Otherwise, the O/P Code is automatically changed to A in the RCSP and the depot will retain only the quantity reflected regardless of O/P Code. The Depot systems do not recognize the O/P Code. Any other changes will be made by crossing out the incorrect data element and inserting the correct data in the corresponding blocks. Whenever a change is made, **it** will be routed through data entry services for computer input. If no changes are made, **it** will be routed directly for computer input. If disposal is not warranted, destroy the mechanically prepared ZLC.

(3) Occasionally it may be necessary to annotate exception data on the resultant DRO, DIC A5J, which is created as a result of processing the ZLC or Issue Transaction for Transshipment of Suspended Receipts, DIC ZLD. When the use of exception data is required, enter Z in pos. 72 of the DIC ZLC **document** (Z is mechanically entered on a DIC ZLD **document**), and route the input **document** and the applicable exception data, to the Inventory Accounting Branch, Stock Control Division, DSO. DROs with Management Code Z will be ejected from mechanical processing on the F-50 listing, and will be routed to the Inventory Accounting Branch, Stock Control Division, DSO, for annotation and forwarding to applicable distribution activity.

(4) Disposal action for DLA stock held in Condition Code L, and for commingled DLA/Service stock regardless of condition will be processed as an exception type DRO as described in subparagraph (2) above, and will be annotated, in addition to other pertinent data as prescribed below.

(a) The true condition of the materiel being transferred to DRMO must be indicated on the transfer documentation prepared by the distribution activity (MILSTRIP Condition Code J, K or L is not to be indicated).

(b) When Condition L materiel or materiel in any condition is being disposed of due to failure to meet specifications, the exception DRO will be annotated: CONDEMNED - NOT TO BE USED FOR PURPOSE DESCRIBED UNDER THIS NSN/PN.

(c) When Condition L (other than subparagraph (3) (b) above materiel) is being disposed of, the exception DRO will be annotated: Depot is herein advised to change the condition L on this disposal transaction to the true Supply Condition Code on the shipping documentation forwarded to the Disposal Activity. The confirmation Document DIC ARJ, submitted back to the center, however, must contain Condition Code L. This requirement is necessary to ensure a clear audit trail within the transaction History File at the center.

(d) When disposal action is for commingled (DLA/Service-owned) stock other than Condition L, the retention quantity will be left blank and the exception DRO will be annotated:

1. Advising the depot that the disposal action is for commingled stock.

2. Advising the depot what quantity is to be retained, i.e., total of DLA-owned and Service-owned stock that should be on hand after disposal action.

(e) When disposal action is for commingled stock and Condition is L, the DIC ZLD entries of Contract Number/CLIN will provide specific identity to stock to be disposed of, and thereby preclude the disposal of Service-owned stock.

(5) When assets of a deleted NSN are posted to the NIR and the Ownership Code is numeric, the DIC ZLC will be assigned VRC AR and rejected for manual review. Deleted NSNs are not eligible for commingling, and disposition instructions regarding the out shipment of materiel are to be obtained as prescribed in appendix E-306 P.

f. Manually initiated Recommended Disposal Actions will be processed as follows:

(1) Prepare a Recommended Disposal **Document**, DIC ZLC, on a General Purpose Worksheet, as outlined in appendix B-31 and forward through data

entry services to ODS. This **document** will be prepared from information on Supply Control Studies, Discrepancy Reports for materiel in Condition Code A, B, C, D, E, F or G, and/ or Deleted Item Report **Documents**, DIC CK8, as appropriate.

(2) Management Code Z may be entered in pos. 72 if it is necessary to annotate any exception data. See subparagraph d(2) above.

(3) Disposal of unwanted radioactive materiel will be with a manually prepared Recommended Disposal **Document**, DIC ZLC. The facility to receive unwanted radioactive materiel from DLA activities is as prescribed in DLAR 4145.30. The Activity Address Code of the appropriate disposal facility must be furnished as exception data since pos. 45-50 will be mechanically assigned (see subparagraph c above). Management Code Z must be entered in pos. 72 of the Recommended Disposal **Document**, DIC ZLC. Upon receipt of the exception data DRO, the Inventory Accounting Branch personnel will annotate the exception data and forward to the applicable distribution activity.

g. Manually prepared Recommended Disposal **Documents** are subject to document validation. Violations will be processed as outlined in appendix E-031 V.

h. For review and evaluation, a monthly dollar value summary of Disposal Transactions by FSC is furnished to Supply Operations by ODS. Appendix F-33 provides the detailed format of the listing.

i. Where War Reserve Classification Code H appears under DFR of MOB block of Standard Supply Control Study, DLA Form 690, or Supply Control Study - Long Supply, DLA Form 709, all assets in excess of retention limits will be recommended for retention if in the Manager's judgement the stock can be issued at a later date. Consideration will be given to materiel condition, shelf-life deterioration rate, obsolescence, and the probability of escalating requirements under mobilization conditions. Recommendations, with justification, will be routed to the Division level for approval to retain or dispose. When disposal is approved process the Recommended Disposal **Document** in accordance with subparagraphs d and e above. When retention is approved, all on-hand assets in excess of the retention limit will be retained by establishing an AERQ in accordance with appendix E-188 P. Each DLA Form 690 will be considered an action document and retained in accordance with current procedures.

5. FLOWCHART

Flowchart not required.