

APPENDIX E-470 P

GFM REQUIREMENT TRANSACTION
(DIC ZSG)

1. PURPOSE

This procedure is applicable to chapter 13 and relates entirely to the reservation of Government Furnished Materiel (GFM) to support End Item, Procurement Group Code (PGC) Recommended Buys. For stock buys, when a Recommended Buy is output to the Item Manager (IM), GFM Requirements will be consolidated, a GFM Suspense File (GFMSF) record established, and SAMMS will output to the end item IM a DIC ZSG, GFM Requirement Control Transaction (appendix B-269). This transaction will contain a 1 or 7 Type Transaction Code (TTC) in pos. 7. A TTC of 1 indicates a control transaction for an NSN which is established in the NIR. A TTC of 7 indicates a control transaction for an NSN which is not in the NIR of the processing DSC. A control transaction will be output on standard NSNs only. Nonstandard NSNs can be reserved according to instructions contained in paragraph 4. It is the responsibility of the end item IM to coordinate with GFM IMs all material reservations necessary to process the End Item Recommended Buy. GFM reservations will be completed by the GFM IM by completing a DIC ZSG, GFM Requirement Detail Transaction, containing a 2, 3, or 6, in pos. 7, denoting this as a detail transaction. Further explanation of the reservation process is contained in paragraph 4. GFM Requirement Control and Detail Transactions input to the Requirements Subsystem are matched according to PGC and the date of the End Item Recommended Buy. Then, the GFM reservations are matched with the approved Recommended Buys from the Supply Control File so that a DIC YPQ, Procurement Recommendation, can be generated to the Contracting Subsystem.

2. APPENDICES USED IN THIS PROCESS

- a. Appendix A-15, Purpose Codes.
- b. Appendix A-16, Supply Condition Codes.
- c. Appendix A-82, Violation Reason Codes.
- d. Appendix A-116, Procurement Grouping Codes.
- e. Appendix A-147, Method of Computation Codes.
- f. Appendix B-22, Materiel Adjustment Transaction (Single or Dual Adjustment).
- g. Appendix B-95, Other Nonrecurring Requirement Forecast/Deletion Transaction.
- h. Appendix B-117, Due-In File Inquiry Transaction.

- i. Appendix B-149, Supply Management Data Change Transaction.
- j. Appendix B-172, GFMSF Adjustment Transaction.
- k. Appendix B-269, GFM Requirement Control Transaction.
- l. Appendix E-095 P, Other Nonrecurring Requirement Forecast/Delete Transaction.
- m. Appendix E-128 V, GFM Cross-Reference File Maintenance Transaction Violations.
- n. Appendix E-172 P, GFMSF Adjustment Transaction.
- o. Appendix E-287 P, GFM Suspense File Inquiry by CRT Remote (Verb SRGF).
- p. Appendix E-470 V, GFM Requirement Transaction Violations.
- q. Appendix F-469, GFM Suspense File Printout.

3. RESPONSIBLE ORGANIZATIONAL ELEMENT

Applicable Inventory Management Commodity Branch within DSO.

4. PROCEDURES/INSTRUCTIONS

- a. Processing the GFM Requirement Control Transaction.

(1) Two Requirements cycles are required to output recommended buys for PGC items that are grouped for procurement purposes. The recommended buy process is activated when an NSN within a PGC reaches its reorder point (ROP). The system then determines the PGC of the NSN as recorded in the SCF, accesses Management Policy Table (MPT) 011, Procurement Group Code Table, for that PGC and determines what NSNs are in that PGC. These NSNs are then sorted in NSN sequence. The NSNs that will reach ROP during the Minimum Procurement Cycle Period are determined. For those NSNs that will reach ROP, a DIC ZSJ and SSCS with Reason For Study Code RG will be produced in addition to the DIC ZSJ and RP SSCS for the NSN which originally reached ROP. The RP and RG studies will be output on the next Requirements cycle after the original reach of ROP. An RS SSCS will be output for each PGC for which an RP and/or RG SSCS was generated. No RS SSCS will be generated for bachelor/family head NSNs assigned a PGC IAW appendix A-116. The Item Manager may also force a Recommended Buy via DIC ZR9, Action Code IB, IAW appendix B-179. When the DIC ZR9 is used for a PGC with multiple NSNs, ZR9 transactions should be input for each NSN so that the requirements are consolidated with a single RB date.

(2) A DIC ZSJ, Recommended Buy Transaction, will be output for each NSN in the PGC that is to be procured. When the recommended buy is generated by the Requirements Subsystem, the system determines if the Method of Computation Code in the SCF for the end item is A, C, G, J, L, or M. If the code is present in the SCF, the system accesses the GFM Cross-Reference File and determines the GFM NSNs and quantities of those NSNs that must be reserved. When no GFM Cross-Reference File is present for the End Item NSN, a DIC ZRX, Violation Reason Code DK, will be

output on the F-117, Uncontrolled Violation Listing, to the End Item Manager (see appendix E-128 V). If a GFM item is used in more than one end item for the same PGC, the GFM requirements are consolidated so that only one GFM Requirement Control Transaction is output for each standard item for each PGC Recommended Buy. The GFM requirement that is calculated for each end item in the PGC will be rounded upward to the next whole unit of material if a fraction is created by the GFM calculation. If a fraction is created by the GFM calculation.

(3) Both the DIC ZSJ (Recommended Buys) and the DIC ZSG (GFM Requirement Transactions) are output to the IM on the same cycle. The DIC ZSG is output in the format of appendix B-269 after a GFM Suspense File (GFMSF) record has been established. The GFM Requirement Control Transactions can be identified by a 1 or 7 in pos. 7.

(4) The end item IM will receive the DIC ZSG and review the following entries for validity:

- (a) Positions 23-29, GFM Quantity, and
- (b) Positions 43-44, GFM IM ORC.

There is one Control Transaction for each GFM standard item for each PGC buy. If the same GFM item is used for two PGC buys, it is possible to receive more than one Control transaction for the same GFM NSN. However, they can be differentiated by the different PGCs in pos. 30-34. When the data in the Control transaction are determined to be correct, the end item IM will coordinate all material reservations with the GFM IMs. When the GFM reservation quantities have been determined, and the DIC ZSG, GFM Requirement Detail Transactions, have been completed by the GFM IM as described below, the end item IM will complete the GFM Requirement Control Transaction as follows:

(c) Positions 45-51, GFM Quantity Being Reserved. The actual GFM quantity is being reserved on all Detail transactions associated with this Control transaction. If there is no GFM being reserved, this field must be zero filled. If nonstandard items are being reserved, do not convert nonstandard NSN quantities to the quantity that would have been reserved if a standard NSN was being used.

(d) Positions 52-53, Detail Transaction Count. This is the total number of Detail transactions needed to complete the reservation for this particular Control transaction. The system will count the number of Detail transactions input. If the system count does not match the entry in these positions, a violation will result and the End Item Recommended Buy will remain in suspense until the violation is cleared. If there is no GFM reservation, this field must be zero filled. There can be no more than 20 Detail transactions per Control transaction.

(e) Position 54, Reservation Indicator. A Y must be entered if a GFM reservation is being made; otherwise, enter an N.

(5) The end item IM will then input the DIC ZSJ and the DIC ZSGs (Control and Detail transactions) to the system. When the DIC ZSJ and DIC ZSGs are input in the same cycle, one additional cycle will be required to release the RBs to the Contracting Subsystem. Control over

PGC buys and GFM reservations is maintained in the Procurement Group Control Records of the GFMSF. Status concerning the Recommended Buy or GFM reservation processing for a specific PGC and Recommended Buy Date can be obtained via the GFMSF SAMMSTEL inquiry process, appendix E-287P, GFM Suspense File Inquiry by CRT Remote (Verb SRGF).

NOTE: Adjustments to the End Item Recommended Buy quantities must be manually updated in the GFMSF. When RB adjustments are required a DIC ZNQ must be manually input to adjust both the End Item Quantity and Adjusted End Item in the Basic Control Section of the GFMSF. The input of the DIC ZNQ will be accomplished prior to the input of the RB with Action Code DE.

b. Processing the GFM Requirement Detail Transaction.

(1) GFM reservations can be made against stocks on hand, due-in on contract, due-in on customer returns, or against items that are not recorded in the NIR (e.g., precious metals used primarily at DPSC-T). It is the responsibility of the end item IM to coordinate these reservations with the GFM IM to actually complete the GFM Requirement Detail Transactions and to correct any violations associated with those transactions, thereby accomplishing the reservations.

(2) When GFM is required, the GFM IM will complete the necessary GFM Requirement Detail Transactions IAW appendix B-269. If there is sufficient stock on hand to complete the reservation, the IM should complete the DIC ZSG by entering a 2 in pos. 7 and completing appropriate entries as stated in appendix B-269.

(a) When the GFM is required for textiles, the GFM IM will determine if sufficient Condition Code C assets are available. Material received at the distribution depots defined as short pieces (see chapter 13) are reported to the DSC in Condition Code C.

(b) When the stock is available, the GFM IM will allot an amount equal to 10 percent (maximum) against the total GFM reservation quantity.

(c) Complete the GFM Requirement Detail Transactions in accordance with B-269, ensuring the appropriate quantities are reserved in Purpose Code H under Condition Codes A and C.

(d) Advise the GFM end item manager, upon request, of the split reservation quantities and applicable stock locations.

(e) The GFM item manager will contact the GFM IM to inquire if assets are reserved in Condition Code C and complete the MROs, IAW above and existing procedures.

(3) On hand stock will not be reserved at a Navy Specialized Support Point if there are sufficient assets located elsewhere in the distribution system to satisfy the reservation. If, due to a lack of sufficient assets at other sites, it becomes necessary to reserve stock at a Navy SSP, the DSC will input a DIC ZJK (appendix B-190) with Freeze Code X (appendix A-73) to preclude decentralized issues against the applicable balance. When the reservation is no longer required or subsequent to issuing the materiel, the Item Manager, GFM Monitor, or Inventory Accounting Branch will process a ZJK, Freeze Code W, as required, in

order to lift the freeze. An internal DIC DAD will then be generated internally IAW appendix B-22 to automatically change the Purpose Code of that quantity of material from A to H. Multiple DIC DADs will be mechanically generated to satisfy the Purpose Code transfer of a reservation quantity exceeding 99,999 units. If there is insufficient stock on hand, an appendix F-469A, GFM Suspense File Printout, will be produced with VRC CP to the ORC of record.

(4) The IM can make a reservation against a contractual due-in by entering a 3 in pos. 7 and completing appropriate entries as stated in appendix B-269. If there is sufficient stock due-in to satisfy this reservation, the Requirements Subsystem will place a 1 in the GFM field of the Due-In File for the contract number and CLIN being reserved. When this material is received, an internal DIC ZCJ will be generated to output an F-184, Due-In File Printout, to the ORC of record. The IM must then make a manual DIC DAD, Purpose Code Transfer, to change the Purpose Code from A to H for the exact quantity that is to be reserved. (See subparagraph 4b(5).) Multiple DIC DADs, unlimited in number, must be input to satisfy the Purpose Code transfer of a reservation quantity exceeding 99,999 units. The Suffix Code in pos. 44 of the DIC DAD may be used for IM visibility if more than one DIC DAD is required, but its use is not mandatory. When insufficient material is due-in to satisfy the reservation, an appendix F-469A, GFM Suspense File Printout, will be generated with VRC HI (Quantity in Due-In File Insufficient) to the ORC of record.

(5) The IM can initiate a GFM reservation against a customer return. A 3 must be entered in pos. 7 of the DIC ZSG. The IM must complete the remainder of the DIC ZSG IAW appendix B-269. However, modifications must be made to the entries in pos. 48-54 and 55-60 of the DIC ZSG. Drop the first digit of the customer return document number and enter the next seven digits in pos. 48-54, Contract Number, of the Detail transaction. Enter the last six digits of the customer return document number in pos. 55-60, CLIN, of the Detail transaction. A 1 will be placed in the Due-In File for that document number and an internal DIC ZCJ generated to produce an F-184 when the customer return is received. The F-184 produced for customer returns will contain the applicable NSN and Document Number and a message NO DI FOR THIS DOC NO. This occurs because the Due-In File record is removed for customer returns before the DIC ZCJ inquiry can process. The IM must complete a DIC DAD to reserve the required quantity upon receipt of the customer return. Multiple DIC DADs, unlimited in number, must be input to satisfy the Purpose Code transfer of a reservation quantity exceeding 99,999 units. The Suffix Code in pos. 44 of the DIC DAD may be used for IM visibility if more than one DIC DAD is required, but its use is not mandatory.

(6) When a reservation for a GFM NSN is being established against a contractual due-in or customer return;

(a) The GFM IM will be required to initiate a DIC ZRG, Other Nonrecurring Requirement Forecast/Deletion Transaction, IAW appendix E-095 P. The purpose of this transaction is to record a demand in the Nonrecurring Requirements Trailer of the SCF. This transaction will increment the requirements for the NSN by the quantity of material due-in that is being reserved. In order for assets to be properly applied, the support date for the nonrecurring requirements must be within the item's Procurement Leadtime.

(b) In the event a delivery occurs before the support date entered in the original DIC ZRG, the GFM IM should input another DIC ZRG to delete the requirement.

(c) In the event the support date passes without a delivery, it will be necessary for the GFM IM to review and compare current with past due-in records to keep the Nonrecurring Requirements Trailer up to date. This will be accomplished by input of DIC ZRG, IAW appendix E-095 P.

(7) Material reservations can also be accomplished against NSNs not in the NIR of the processing DSC. This action pertains largely to the precious metals used by DPSC-T. To reserve stocks against these NSNs:

(a) Complete a DIC ZSG, GFM Reservation Detail Transaction, IAW appendix B-269, but with the exceptions in subparagraphs (b), (c), and (d) below.

(b) Position 7 - Type Transaction Code. Enter 6.

(c) Positions 43-45 - RIC. Enter the RIC of the processing DSC, e.g., S9T for DPSC-T.

(d) Positions 65-73 - Unit Price. Enter the standard unit price of the NSN being reserved in pos. 8-20.

c. Since the processing of End Item Recommended Buys is being suspended awaiting GFM reservation processing, DIC ZSG transactions should be processed with the utmost coordination and expediency.

d. If the End Item Manager has multiple RBs for the same PGC with different RB dates, they should be reviewed for consolidation under one RB date. If consolidation is not possible, the End Item Manager will approve one PGC RB date and not approve the next until an F-469A, GFMSF Printout, is output indicating the PR Number has been assigned to the first PGC buy.

e. Violations of DIC ZSG, GFM Requirement Control and Detail Transactions and the F-469A, GFM Suspense File Printout, will be processed IAW E-470 V.

5. FLOWCHART

See appendix D-236 for data elements contained in the GFMSF and their sources. Appendix D-237 depicts field position validations for DIC ZSG, ZNQ, and GFM Reservation processing.