Source Document Retention

References: Refer to Enclosure 1.

1. PURPOSE. This instruction provides DLA policy guidance to ensure audit trail control is established and maintained, defines a source document, and describes archiving requirements, and retention criteria. For DOD material consigned to, and issued from, and in the custody of a DLA storage facility, appropriate source documents must be retained to ensure material accountability and audit ability of balance effecting transactions posted to the accountable records. Refer to Enclosure 2 for additional information.

2. APPLICABILITY. This instruction applies to DLA Headquarters and DLA Primary Level Field Activities (PLFAs).

3. POLICY. It is DLA policy that:
   
   a. The Distribution Standard System (DSS) maintains the accountable record and shall be considered the authoritative source for quantitative asset balances for all material stored, regardless of ownership.

   b. All supply source documents substantiating an inventory record balance change shall be archived and retained for audit research for at least two years. On-line access to supply source document data will be provided for DOD Component read-only access. Source documents providing evidence of shipment to Security Assistance/Foreign Military Sales customers will be retained 2 years in an active file and 28 years in the National Records Archive.

   c. All annual statistical sample inventory line item detail data will be maintained for at least 2 years.

4. RESPONSIBILITIES. It is the responsibility of each work area within a storage facility to identify, retain and archive all source documents which substantiate receipts, issues, shipments, transfers and physical adjustments, which have been annotated in some way, (i.e., signature on a DD Form 250, Commercial Bill of Lading (CBL) shipment information, weight and cube data, etc.), as material is processed. This includes any balance affecting document which displays data not electronically available in DSS, including the Freight Manifest.
5. **PROCEDURES.** Refer to Enclosure 2.

6. **EFFECTIVE DATE.** July 8, 2003

   Richard J. Connelly  
   Director, DLA Enterprise Support

**ENCLOSURE(S)**
1. References  
2. Procedures
Enclosure 1

References


Enclosure 2
Procedures

1. The intent of source document retention is to ensure an image of all inventory balance affecting supply transactions that substantiate changes to on-hand inventory balances be retained. Supply source documents portray the record quantity of receipt, release, shipment, issue, transfer and physical inventory adjustment of property. Criteria for determining applicable documentation to be retained are as follows:

   a. Receipt documents. All receipt transactions for new procurements, returns and/or redistributions will be retained and archived. Source documents in support of receipts such as the Material Inspection and Receiving Report, DD Form 250, the Order for Supplies, DD Form 1155, the Requisition and Invoice/Shipping Document, DD Form 1149, a Report of Discrepancy, SF 364, or Transportation Discrepancy Report, SF 361, Issue Release/Receipt Document (IRRD), DD Form 1348-1A, will also be retained and archived. Documentation concerning discrepant receipts will be retained with applicable receipt documents, as well as any Item Unique Identification (IUID) listing accompanying the material.

   b. Issue documents.

      (1) Off-base issues. Transactions which affect issues of non-controlled items to off-base customers (Military Standard Requisition and Issue Procedures (MILSTRIP) Document Identifier Codes (DOC IDs) A2_/A5_ or Defense Logistics Management Standards (DLMS) 940R) are posted to the accountable record as proof of shipment and shipment history shall be retained in DSS. The requirement to image documents is dependent on mode of shipment and electronic visibility of line item manifest. For example, if the mode of shipment is equal to G or H, a hard copy image is not retained since the small parcel carrier tracking data is available in DSS. Conversely, if the mode of shipment is equal to A or B, a hard-copy image is retained, since weight and cube information annotated on the Issue Receipt Release Document (IRRD) is not retained in DSS.

      (2) On-base issues. Transactions which affect issues of non-controlled items to on-base customers (MILSTRIP DOC ID A5_ or DLMS 940R) are posted to DSS with a local delivery mode of shipment. Source documents that are annotated with Proof of Delivery information not available in the Material Release Order (MRO) history within DSS must be retained and archived.

      (3) Issue documents for Serial Number Tracking Reportable material, annotated with IUIDs and/or accompanied by IUID Listing(s), must be retained and archived as a source document.

      (4) For all issues of Classified and Sensitive items, the IRRD hard-copy image shall be archived and retained.
c. **Shipping Documents.** Release of material issued to off-base customers is documented using Commercial Bills of Lading (CBL) and Freight Manifests, Government Bills of Lading (GBL) (SF Form 1102), Main Form (SF 1109), Continuation Sheet, Transportation Control Movement Document (DD 1384), IRRD (DD Form 1348-1A), with an IUID annotation of listing (when required), and will be archived and retained.

d. **Adjustment Documents.** All supporting documentation for physical inventory adjustments and/or reversal transactions (MILSTRAP DOC IDs D8A/D9A or DLMS 947I), will be retained consistent with the level of research conducted as described below:

   (1) For D8A/D9A adjustments that fall “below” the Causative Research threshold, DSS retains electronic information concerning physical counts and in-float considerations made at the time of adjustment decision (i.e., copies of count histories, Location Transaction History and Inventory Evaluation Research Listing (IERL). Therefore, hard-copy retention of research documentation is not required. However, the monthly Consolidated Adjustment Vouchers (CAV) will be retained.

   (2) For D8A/D9A adjustments that require Causative Research, supporting documentation to be retained includes:

      [a] Item transaction history and copies of count history.

      [b] Copies of unposted, rejected, duplicate and/or incorrectly posted supply transactions (e.g., receipts, issues, condition code changes, etc.) that impact the Causative Research decision.

      [c] IUID and/or serialization number by item list, as required.

      [d] Location Transaction History and/or the IERL.

      [e] Proof of corrective action taken; summary of research performed.

      [f] Signed Inventory Adjustment Vouchers (IAV).

      [g] The Financial Liability Investigation of Property Loss (FLIPL) document, DD Form 200, as required.

2. **Document Archive and Retrieval.** To ensure on-line access to supply source documents, those documents to be retained will be scanned and archived via a Key From Image (KFI) indexing or Optical Character Recognition (OCR) index number and passed to the DLA repository. Archived source documents will be managed at the ‘hub’ level, with access made available for searching and browsing through use of a web-enabled application. Access to archived source documents will be web-based, password protected and made available via local area network (LAN), to all authorized users, to include material owners, inventory managers and inventory researchers.