



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

IN REPLY
REFER TO

JUN 01 1999

DLMSO

MEMORANDUM FOR: DISTRIBUTION

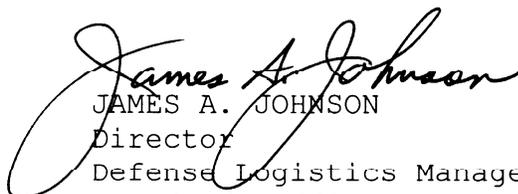
SUBJECT: Approved DLMS Change 17, Exception for DoD EMALL
In-The-Clear Ship-To Address Requisitions (Staffed
as Proposed DLMS Change (PDC) 26) (Supply/MILSTRIP)

Attachment 1 is forwarded as an approved change to DoD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP), and DoD 4000.25-M, Defense Logistics Management System (DLMS). This change is approved for a July 1999 implementation.

Approval is based upon coordination with the DoD Components and comment resolution during the Supply Process Review Committee (PRC) Meeting 99-2. PDC 26 requested that authorization for in-the-clear ship-to addressing be granted for DoD EMALL requisitioning regardless of method of payment. However, due to Component nonconcurrence, this capability is extended to IMPAC card users only and will not apply to requisitions using interfund billing for payment. During the 99-2 meeting, the Army and DLA asserted strong opposition to the broad application originally proposed. Quoting from the DLSC-LS May 14, 1999 memorandum (attachment 2), "interfund billing coupled with in-the clear [ship-to] addressing exposes the DoD supply inventories to an unacceptable risk to fraudulent requisitioning."

Addresses are advised not to file this change in the applicable manuals. This approved change is provided as a planning document to assist in system design/programming efforts which are necessary to implement the change.

Addressees may direct questions to the DLMSO point of contacts, Ms. Ellen Hilert, DSN 427-0676, (703) 767-0676/ e-mail: ellen_hilert@hq.dla.mil or Ms. Vermella Saváge, DSN 427-0674, 703-767-0674/e-mail: vermella_savage@hq.dla.mil. Others may direct questions to their Service or Agency designated representative.


 JAMES A. JOHNSON
 Director
 Defense Logistics Management
 Standards Office

Attachments

DISTRIBUTION:

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CC:

ADUSD(L)MDM

LMI

Finance PRC Chair

LRMARS Chair

Lt Col Lawrence, USAF ILSP

Damond Osterhus, PTI

Approved DLMS Change 17

**Exception for DoD EMALL
In-The-Clear Ship-To Address Requisitions**

1. ORIGINATOR:

a. Service/Agency:

(1) Joint Electronic Commerce Program Office (JECPO)
and

(2) HQ United States Air Force (USAF)

b. Originators:

(1) John Christensen, DoD EMALL Program Manager,
JECPO, 703.275-5242, christej@ncr.disa.mil

(2) Lt Col Colquitt Lawrence, HQ USAF Supply Policy,
HQ USAF/ILSP, 703.695-2274,
LAWRENCEC@af.pentagon.mil

(3) Damond L. Osterhus, Air Force Liaison - DoD EMALL,
PTI (JECPO contractor), 703.553-6849,
damond@pti.com

2. FUNCTIONAL AREA:

a. Primary: Supply

b. Secondary: Transportation

3. REQUESTED CHANGE:

a. Title: Exception for DoD EMALL In-The-Clear Ship-To
Address Requisitions.

b. Description of Change:

DoD 4000.25-1-M, MILSTRIP, currently restricts use of in-the-clear ship-to addressing to specified exception situations. MILSTRIP further directs use of DoDAACs for repetitive shipments and instructs Components to assign DoDAACs for each receiving location. This change authorizes in-the clear ship-to addressing for

EMALL customers using IMPAC card as the method of payment, thereby allowing them to direct shipments to any location.

c. Procedures:

- (1) Revise DoD 4000.25-1-M, MILSTRIP, as follows. Revisions are identified in ***bold italicized*** text. Make corresponding changes under the DLMS.

(a) Definitions and Terms:

"DoD EMALL. An Internet-based electronic mall designed to make it easier for customers to place and track orders and pay for products. For additional information access the DoD EMALL at <http://www.emall.dla.mil>."

(b) Acronyms and Abbreviations:

"IMPAC International Merchant Purchase Authorization Card"

(c) Chapter 2, paragraph B, LIMITATIONS ON SUBMISSION OF EXCEPTION DATA REQUISITIONS:

"a. Authorized conditions for use of exception ship-to addresses are listed below...

(8) DoD EMALL-generated requisitions using IMPAC card as the method of payment."

(2) System Programming Changes.

(a) Long Range Changes. Implement DLMS.

(b) Interim/Immediate Changes.

- EMALL Commodities Corridor Modular Ordering Management System (MOMS) will create and send Exception Data Requisitions (A0E), and its associated YRZ trailer record, when customers elect in-the-clear ship-to addressing in lieu of DoDAAC TAC addressing for depot and DVD contractor items when an IMPAC card is used for method of payment. The YRZ record will include the in-the-clear address and a 13 digit customer account identification which is permanently associated with a single user.
- DLA (SAMMS) will provide for the automated processing of Exception Data Requisitions (A0E) and associated YRZ record, perpetuating the in-the-clear ship-to addressing.
- Distribution Depot Standard System (DDSS) will accept in-the-clear ship-to address associated with the material release order and process according.

4. **REASON FOR CHANGE:** Some customers of the DoD EMALL, require that they be able to ship EMALL item orders to other than DoDAAC TAC addresses; using an in-the-clear ship-to address. For example, the Air Force has established the requirement for the EMALL to ship ALL EMALL-ordered items to in-the-clear addresses; e.g., all items are to be shipped to the orderer's specified address and not a base/depot supply related DoDAAC TAC address. In the case of the Air Force, all EMALL orders are limited to non-weapon system coded items which are paid for using a purchase card only. Under this change, the Air Force will not be required to assign supply ship-to DoDAACs beyond their present base/depot supply related DoDAACs to accommodate these orders. Additionally, the Marine Corps requests the option of sending EMALL-ordered items to other than DoDAAC TAC addresses. They need this capability to be able to ship to deployed locations that have no DoDAAC assigned, and for shipments of critical parts directly to maintenance organizations at their depots.

5. **ADVANTAGES AND DISADVANTAGES**

a. **ADVANTAGES AND DISADVANTAGES:**

- (1) Customer Responsiveness, and Uniformity. For EMALL users, this change will permit all customers the ability to direct shipments to the full range of addresses with increased accountability over traditional MILSTRIP requisitioning. Additionally, this capability will be uniformly available across all sources of supply. Finally, it will shorten the transportation time through the reduction in the number of times an order is handling/processed, especially for items that can be shipped via commercial means (FedEx, UPS, DHL, WorldWideExpress).
- (2) Commercial Business Practice Implementation. This will further align the DoD EMALL practices with best commercial practices.

b. **Disadvantages:**

- (1) The processes for handling in-the-clear addressed items will need to be worked with the depot and DVD contractors transportation departments in order to make the process efficient. The EMALL team will work with those departments to ensure EMALL order processing is made efficient.
- (2) Existing management reports/queries designed to work with 80 rp transactions or equivalent records

will require revision to capture and associate the in-the-clear ship-to address and customer identification with the requisition.

6. IMPACT

- a. **DLMS ICs:** The DLMS requisition implementation conventions (ICs) currently accommodates in-the-clear addressing. Minimal revision to the following requisition-related ICs to identify the EMALL customer account number will be required:
- (1) **511R, Requisition:** 2/N901/020 - Add Qualifier IT, Internal Customer Number, with note: Use to identify the DoD EMALL-generated customer account number.
 - (2) **511M, Requisition Modification:** 2/N901/020 - Add Qualifier IT, Internal Customer Number, with note: Use to identify the DoD EMALL-generated customer account number.
 - (3) **869A, Requisition Inquiry/Supply Assistance:** 2/REF01/105 - Add Qualifier IT, Internal Customer Number, with note: Use to identify the DoD EMALL-generated customer account number.
 - (4) **869C, Cancellation:** 2/REF01/105 - Add Qualifier IT, Internal Customer Number, with note: Use to identify the DoD EMALL-generated customer account number.
- b. **Publication(s):** MILSTRIP and DLMS manuals. Service/Agency publications as applicable.
- c. **Defense Automated Addressing Systems Center (DAASC):** Modification to: Logistics On-Line Tracking System (LOTS) and Logistics Information Processing System (LIPS) to capture and maintain trailer YRZ data.
- d. **DLA:** Capability to process trailer YRZ with in-the-clear address and customer account information. Capability to forward YRZ in-the-clear address data to Defense Distribution Depot. Modification of DDSS to accept and process trailer data.
- e. **Other:** Optional acceptance of trailer YRZ to forward in-the-clear ship-to addresses to Service ICPs and process accordingly for Service-managed material must be coordinated with the DoD EMALL program manager and DLMSO. Impact on Global Transportation Network (GTN) and Service systems not identified.



DEFENSE LOGISTICS AGENCY
DEFENSE LOGISTICS SUPPORT COMMAND
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FORT BELVOIR, VIRGINIA 22060-6221

IN REPLY
REFER TO

DLSC-LS

MAY 14 1999

MEMORANDUM FOR DLMSO

SUBJECT: Proposed DLMS Change 26, DoD EMALL In-The-Clear Addressing for MILSTRIP-Based Requisitions (Supply/MILSTRIP)

We have reviewed the subject proposed change forwarded by your letter of February 11, 1999 and have the following comments:

We concur with the use of in-the-clear addressing for DoD EMALL generated MILSTRIP requisitions when the method of payment is via IMPAC card. Such orders must also contain the 13 digit account number assigned by EMALL and permanently associated with a single user. Although the ANSI 511 requisition can currently accommodate in-the-clear address information, the transaction set or IC should be modified to carry the EMALL account number for such DoD EMALL generated requisitions. In the interim, the DI Code YRZ record will include the in-the-clear address and customer account identification. In our assessment, it is the security provided by the combination of the IMPAC card for payment and the customer account number that allows us to pursue in-the-clear address requisitioning with minimal vulnerability to fraudulent requisitioning. As a matter of information, the deployment of the necessary DLA system changes to mechanically accept and process these requisitions, initially targeted for February 1999, has been deferred until July 1999.

At this point in time, we do not concur with the use of in-the-clear addressing for DoD EMALL generated MILSTRIP requisitions when the method of payment is interfund billing. We believe allowing this exception for EMALL would foster or promote in-the-clear interfund requisitioning which we clearly do not wish to do. Now, as in the past, we believe interfund billing coupled with in-the-clear addressing exposes DoD supply inventories to an unacceptable risk to fraudulent requisitioning. It is the reason that the exceptions to the policy of requiring a DODAAC address with interfund billing have been so stringent. The use of DODAACs and the methodology to obtain them are our most effective method of restricting access to DoD inventories to authorized requisitioners. To allow in-the-clear addressing would effectively remove our current DODAAC deterrent to fraudulent requisitioning without imposing an equal or better deterrent. In this regard, there is no evidence that the security involved with obtaining an EMALL account provides the level of protection we currently have with DODAACs. While the use of credit cards and in-the-clear addressing may be a best commercial practice, the use of interfund billing and in-the-clear addressing is not a commercial practice at all. Interfund billing techniques effected on a monthly cycle using disparate financial systems that may not react quickly to billing discrepancies increases the risk associated with in-the-clear addressing to a



level significantly higher than that associated with employing the in-the-clear process with credit card billing. Regardless of what some customer may have intimated to EMALL personnel, we have proven over time that there is virtually no need for in-the-clear addressing for interfund billing requisitioners. Their retail and theater distribution systems can control, account for and deliver the materiel to the ultimate user in an efficient and secure manner. We support EMALL, but we are not in favor of introducing or expanding a capability that at best is marginally beneficial and potentially compromising.

Our POC for this action is Robert M. Vitko, DLSC-LS, (703) 767-1601.

A handwritten signature in cursive script, reading "Douglas J. French".

DOUGLAS J. FRENCH
Assistant Executive Director
Supply Management Group