

DLMSO

March 11, 1997

MEMORANDUM FOR: DISTRIBUTION

SUBJECT: Approved Defense Logistics Management System (DLMS)  
Change 2, Revised Supply Discrepancy Report (SDR)  
Guidance (Staffed as Proposed DLSS/DLMS Change 7)

The attachment is published as an approved change to SDR guidance (formerly Report of Discrepancy (ROD)) published in DoD 4000.25-M, DLMS, Volume 2, Chapter 18, and DLAR 4140.55/AR 735-11-2/SECNAVINST 4355.18/AFR 400-54, Reporting of Item and Packaging Discrepancies, as modified under Approved SDR (ROD) Change 1, June 24, 1996. This change cancels DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFR 67-7, Processing Discrepancy Reports Against Foreign Military Sales Shipments.

This change will become effective upon formal publication.

SDR Focal Points may direct their questions to Ellen Hilert, DSN 427-6117 or 703-767-6117, e-mail: ellen\_hilert@hq.dla.mil. Others may direct questions/comments to their Service/Agency designated representative.

/s/  
JAMES A. JOHNSON  
Director  
Defense Logistics Management  
Standards Office

Attachment

**Approved DLMS Change 2**  
(Staffed as Proposed DLSS/DLMS Change 7)

**1. ORIGINATOR:**

**a. Service/Agency:** DLMSO

**b. Originator:** Ellen Hilert, DLMSO, 703-767-6117,  
DSN 427-6117, or e-mail: ellen\_hilert@hq.dla.mil

**2. FUNCTIONAL AREA:** Supply

**3. REQUESTED CHANGE:**

**a. Title:** Revised SDR Guidance.

**b. Description of Change:** This change is provided to address the following changes:

(1) To incorporate Security Assistance (SA) SDR (ROD) guidance within DLAR 4140.55/AR 735-11-2/SECNAVINST 4355.18/AFR 400-54, Reporting of Item and Packaging Discrepancies, as modified under Approved SDR (ROD) Change 1, Reporting of Supply Discrepancies, June 24, 1996, to support elimination of separate joint Component guidance.

(2) To supersede and delete DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFR 67-7, Processing Discrepancy Reports Against Foreign Military Sales Shipments.

(3) To provide specific guidance for submission of nonreceipt SDRs by SA customers.

(4) To provide and clarify current policy regarding documentation retention related to SA shipments per DLA MMLSI memorandum, May 13, 1996, subject: Proposed Changes to Joint Regulation DLAR 4140.60, Processing Foreign Military Sales (FMS) Reports of Discrepancy (RODs).

(5) *To provide standard SDR disposition/response codes.*

(6) To revise Enclosure 3, SDR (ROD) Distribution, to use a uniform format and incorporate additional information from the original regulation.

(7) To update references, terminology, and offices.

**c. Procedures:** Delete DLAR 4140.60/AR 12-12/SECNAVINST 4355.17A/AFR 67-7, Processing Discrepancy Reports Against Foreign Military Sales Shipments, and revise joint Component guidance as indicated in this proposal. To facilitate review and accommodate users unfamiliar with changes adopted under Approved Change 1, the revised basic document and enclosures are reprinted here. Proposed Change 7 revisions are identified in **bold italic** type. Changes resulting from staffing are identified in **shadow italic**.

#### **4. REASON FOR CHANGE:**

a. This revision consolidates discrepancy reporting guidance under a single publication for use by U.S. and SA customers thereby eliminating redundant publications. SA specific information is provided at Enclosure 7. Enclosures 1-6, providing definitions, SF 364 instructions, addresses, and code lists will be used by all customers, simplifying maintenance of publications and automated systems.

b. As a result of using a single publication, changes to action activity procedures will become more visible to SA customers and International Logistics Control Offices (ILCOs).

c. SDR distribution information previously not included in the separate SA guidance is now readily available.

**[Text Deleted]**

d. Executive Order 12861 directed elimination of 50 percent of the executive branch's internal regulations. In response to this the joint regulation has been restructured. Required procedural guidance is contained in the enclosed joint Component instruction/regulation. Policy guidance is maintained at the DoD level under DoDD 4140.1, Materiel Management Policy, and DoDR 4140-R, DoD Material Management Regulation.

e. Clearly defines requirement for the SA customer to obtain documentation from the freight forwarder indicating material has not been received prior to submission of an SDR for nonreceipt. (Text based upon DSAA memorandum, January 7, 1994, Unnecessary Processing of Nonreceipt Reports of Discrepancies (RODs).)

#### **5. ADVANTAGES/DISADVANTAGES:**

a. **Advantages:** Fulfills the DoD commitment to

standardization and reduces unnecessary redundancy in regulation/publications. Additional advantages noted above.

b. **Disadvantages:** Requires interface among all DoD Component activities creating, processing, and resolving SDRs. **Expanded code lists will require retraining and improved automated support. Additional disadvantages noted below.**

## 6. IMPACT:

a. Requires modification of current Service/Agency implementing procedures and processing systems as addressed under Approved SDR (ROD) Change 1 for SA discrepancy reporting.

b. Supports Approved Change 1 requirement for revision of DoD directives, instructions, and other publications which refer to the joint Component regulation numbers and use the term **Report of Discrepancy.** This may be accomplished as updates occur naturally over time. Change 1 permits a 5-year **turnover** period.

### c. Implementation:

(1) This approved change becomes effective upon publication.

(2) As stated in Approved Change 1, new and revised code values will remain optional for intra-Component use until such time as the DoD DRS/DLMS/EDI/SA standard system is implemented **or other supporting systems are modified.** If using the SF 364 for submission of the report, new code values may be identified by type of code and value in the remarks blocks (front side, block 12/reverse side, block 23). Revision of the form to reflect new codes has not been addressed at this time.

(3) The enclosures are structured in the DLSS (SDR publication) format. Equivalent changes will be incorporated in the DLMS.

Enclosures

**Enclosures available in hard-copy format on request.**

**For draft revised guidance refer to *Non-line manuals* on this web page.**