IN REPLY
REFER TO **DLMSO**

July 23, 2003

MEMORANDUM FOR: SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved DLMS Change 103, DAAS Processing Rules for Project Code 3AD (Supply/MILSTRIP) (Staffed as PDC 99)

This attached change to DOD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP), and DOD 4000.25-M, Defense Logistics Management System (DLMS), is approved. DAAS will implement program changes effective October 1, 2003.

Addressees may direct questions to the DLMSO points of contact, Ms. Ellen Hilert, Chair, Supply Process Review Committee, 703-767-0676, DSN 427-0676, or e-mail: ellen.hilert@dla.mil or Ms. Vermella Saváge, DOD MILSTRIP System Administrator, 703-767-0674, DSN 427-0674, or e-mail: vermella.savage@dla.mil. Others please contact your Component designated representative.

JAMES A. JOHNSON
Director
Defense Logistics Management
Standards Office

Attachment

cc:
ADUSD(L)SCI
LMI

Approved Defense Logistics Management System Change 103
DAAS Processing Rules for Project Code 3AD
(Supply/MILSTRIP)

1. Originator:

    a. **Sponsoring Service**: Ms. Bobbie Ziolek, HQ AFMC/LGIA, MILSTRIP/MILSTRAP Focal Point

    b. **Inter-Service Supply Support to Depot Maintenance Work Group (ISS to DM) Focal Point**: Mary E. Johnson, HQ AFMC/LGIA , Acting Chair for the ISS to DM

2. Functional Area(s) Involved:

    a. **Primary:** Supply

    b. **Secondary:** Financial

3. Requested Change:

    a. **Title**: DAAS Processing Rules for Project Code 3AD

    b. **Description of Change**: This change requires the Defense Automatic Addressing System (DAAS) to pass (instead of route) all DI Code A0_ requisitions containing Project Code 3AD to the activity identified in the Routing Identifier (To) (record positions 4-6). This will direct the requisition to the Principal whose assets will be used for the repair as requested by the Agent (or Source of Repair) under the Depot Maintenance Inter-Service Agreement (DMISA).

    c. **Procedures**:

       (1) Revise the definition of Project Code 3AD as follows:

CODE	DURATION	USE/REFERENCE	MONITOR/COORDINATOR
3AD Service Codes: All	01 Oct 98 to Continuing	Used to identify materiel requisitioned for depot repair (overhaul and maintenance) of Depot Maintenance Inter-Service Support Agreement (DMISA) items *not previously identified in the DMISA*. *DAAS will use the RI (To) (rp 4-6) to pass the A0_ requisitions to the activity indicated.* (This code will also assist in billing and credit processes.)	HQ AFMC/LGIA DSN 787.7698 Comm 937.257.7698

(2) Modify Appendix AP2.13, Project Codes, to insert new paragraph AP2.13.3 and renumber accordingly.

AP2.13.3 Project Code 3AD supports requisitioning under a DMISA. When used, this project code will cause the requisition to be passed directly to the activity identified by the RI in rp 4-6. DAAS routing rules will be overridden.   If the submitting Component requires use of an alternate project code, e.g., a contingency support project code, on a requisition for which 3AD functionality is also desired, the alternate project code would have precedence over the 3AD.   In this situation, the requisition may be prepared as a passing order (DI Code A3_) to preserve the proper destination while employing the Service-mandated project code.

4. Reason for Change: Under current MILSTRIP rules, the DAAS routes requisitions to the correct supply source for the material requisitioned, rather than using the RIC indicated in the transaction. This DAAS function is generally appropriate as it ensures that the requisition goes to the correct activity, even after a logistics reassignment has occurred resulting in a new supply source. However, when processing Project Code 3AD requisitions from the Source of Repair (or Agent) under a DMISA, it is necessary that the requisition not go to the source of supply, but instead go to the Principal whose assets are intended to be used for the repair. In this situation, the customer may not be a registered user of the material and his requisition could be rejected with CC status. Correctly passing the requisition to the Principal will reduce financial losses incurred when the Principal must purchase the same type of material again from the supply source while previously purchased material is sitting in the Service inventory. This change will reduce inventory balances as intended at the designated Principal, and does not unnecessarily draw down inventory at the supply source. Using the supply source rather than the Principal could also result in a delay due to backorder or a new procurement, introducing potentially excess material into the DOD inventory. It will eliminate the possibility that the supply source will satisfy the requisition with a substitute item which may not be best suited for the repair. This change will facilitate accurate demand history capture at the supply source (where it is now overstated) and improve forecasting by the Principal (where demand is now understated).

5. Advantages and Disadvantages:

a. Advantages: Allows for correct processing of DMISA requisitions with the benefits discussed above at minimal cost.

b. Disadvantages: Establishes a new exception condition under MILSTRIP/DLMS business rules.

6. **Alternatives**: Using a passing order to generate a requisition to the Principal would require reprogramming legacy systems within the Army, Navy, Air Force, and Marines Corps. Changes to the Service systems' are deemed cost prohibitive versus having DAAS procedures revised for DI Code A0_ requisitions containing Project Code 3AD.

7. Impact: Publications that will be affected: DOD 4000.25-M, DOD 4000.25-1-M, Joint Service Regulations, the Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items, and the Joint Depot Maintenance Program, respectively.

AMC – R – 700-99	AMC-R-750-10	DLAD 4151.16
NAVSUPINST 4790.7	OPNAVINST 4790.14A	MCO P4790.10B
AFLCR 400-21	AFI 21-133(I)	MCO P4410.22C