



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
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IN REPLY
REFER TO DLMSO

October 3, 2006

MEMORANDUM FOR FINANCE PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC)
110E, U.S. Air Force (USAF) Interfund Bill Restrictions (Finance)

The attached change to DOD 4000.25-7-M, Military Standard Billing (MILSBILLS) and DOD 4000.25-M, Defense Logistics Management System (DLMS), approved for implementation. DAASC programming to support this change will be completed ASAP.

Addressees may direct questions to the DLMSO points of contact, Ms. Aundra Rhone-Jones, DOD MILSBILLS System Administrator, 703-767-3630, DSN 427-3630, or e-mail: aundra.rhone-jones.dla.mil. Others must contact their Service or Agency designated representative.

A handwritten signature in black ink, appearing to read "Donald C. Pipp".

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
Supply PRC

ADC 110-E

Additional AF Billing Restrictions

1. **ORIGINATOR:** DFAS Denver
2. **FUNCTIONAL AREA:** Finance
3. **REFERENCES:**
 - a. DoD 4000.25-7-M, Military Standard Billing System (MILSBILLS)
 - b. DoD 4000.25-M, Defense Logistics Management System (DLMS)
 - c. DLMSO memorandum, dated March 11, 2004, subject: Approved DLMS Change (ADC) 110, DAASC Processing of AF Requisitions and Requisitions with Billing Restrictions-Revised
 - d. DLMSO memorandum, dated March 14, 2004, subject: Approved DLMS Change (ADC) 110A, DAASC Processing of AF Requisitions and Others with Billing Restrictions-Revised
 - e. DLMSO memorandum, dated October 14, 2005, subject: Approved DLMS Change (ADC) 110B, Additional AF Requisitions and Interfund Bill Restrictions
 - f. DLMSO memorandum, dated March 16, 2006, subject: Approved DLMS Change (ADC) 110C, Additional AF Requisitions and Interfund Bill Restrictions (Supply/Finance)
 - g. DLMSO memorandum, dated June 29, 2006, subject: Approved DLMS Change (ADC) 110D, U.S. Air Force (USAF) Interfund Bill Restrictions (Finance)
4. **REQUESTED CHANGE:**
 - a. **TITLE:** Additional Air Force Billing Restrictions
 - b. **Description of Change:** This change expands the USAF edits approved under ADC 110, to trigger DAAS rejection of bills containing USAF DODAACs that may not be used in billing. Comments received during formal staffing are enclosed.
 - (1). Reject AF bills which cite the following unauthorized bill-to-DODAAC series
 - F (Numeric) (Numeric) (Numeric) (Numeric) (Numeric)
 - F (Numeric) (Numeric) (Numeric) (Numeric) (Alpha)
 - F (Numeric) (Numeric) (Alpha)
 - FA series
 - FF series
 - FT series

- Sellers are asked to comply with this change and bill all such transactions that bypass DAAS under valid AF DODAACs listed at DAAS.
- Sellers will not be penalized if their modernization programs do not allow them to comply. However, in such cases, the seller is required to obtain a valid DODAAC and reissue the billing using the new DODAAC. Contact the Denver CAO and identify the AF base, requisitioner, and the items ordered to obtain valid AF DODAAC.

(2). Rejected bills shall be returned to the originator or originating communications center with a narrative description indicating the reason for rejection.

c. Procedures:

(1) Revise MILSBILLS to reject interfund bills when the bill-to office DODAAC:

- is “F” numeric or “F” numeric alpha.

(2) Revise MILSBILLS Chapter 6 as indicate in *bold italics*:

C6.3.2.1.5. Reject billings where the bill-to is an “F” numeric or F numeric alpha DoDAAC.

d. Effective: DAASC implementation ASAP.

5. REASON FOR CHANGE/BACKGROUND: The original ADC 110 established edits to trigger DAAS rejection of order requisitions containing USAF DODAACs that may not be used in interfund billing. DFAS needs to implement the same edits for billing “F” numeric DODAACs. This change will reduce the number of bills that have to be manually processed.

6. IMPACT:

- a. Enforces correct usage of DODAACs for interfund billing.
- b. Requires update to DAAS edits
- c. Requires publication within DLMS and MILSBILLS

Comments Received During Staffing

	Submitter	Comment	Response
1.	Reggie Norwood	I don't think this will be a problem for us. The BOAC is actually sent to me by a system a little further up in the billing stream. I'll have to make sure they have their tables updated.	DFAS-JXD/DE: Just to clarify, we aren't saying the bills can't come interfund. We are just saying that interfund bills to DFAS DODAACs for AF business isn't authorized; however, if you can tell us the base that ordered, we can provide a valid AF DODAAC so the bill can continue via interfund once corrected.
2.	Mark Minch, (J6D) DAASC-YDM (Logistics)	DAASC has no problem with the change.	
3.	Carl Kerby, (HQ DLA)	I don't see any problem with the change, however, since BSM is an integrated system and we receive nearly all orders, except direct input orders, via DAAS we should not be receiving orders with the non-interfund DoDAACS. Unless we find we are still experience problems with orders from these non-interfund codes, it would not be cost effective to add the edits to the BSM billing programs. Carl Kerby, DLA/J-88	
4.	Patricia Q. Davis, (DESC)	DESC does not see a problem with the proposed change.	
5.	Buz Sawyer, (HQ DLA)	From a BSM perspective, we don't have a problem with the latest proposed change, but we will pursue, in collaboration with the Air Force, the ability to process "FT" DODAACs funded by appropriations via interfund.	
6.	Catherine Schaffer,	I just want it to go on record that I disagree with this. The front end needs fixed with the way AF requisitions vice them dumping back on the Seller for correction of their errors. This causes manual rework from a Seller activity. Well it makes for reportable rework and manual labor in a automated system to reverse the bills and re-do as a cash sale. So in reality it is an issue.	DLMSO: We understand and appreciate your position on the manual aspects related to this topic. DAAS will include the additional edits within their current process to validate Air Force billings. Hopefully, the bills that are currently getting through will become limited. The legacy systems may implement this change as part of their system modernization and transformation efforts if preferred.

		<p>OSD has updated the FMR to inforce further usage of Interfund and if the agency is DOD it is being mandated that interfund must be used. I have tons of unpaid Air Force receivables because they dispute everything vice paying. I think the new FMR regulations should be looked at before this is approved.</p> <p>Is everyone sure their systems can read a second position of a DODAAC?</p>	<p>DFAS-JXD/DE:</p> <p>A significant part of our continued use of interfund includes the effort to eliminate F-numeric's/F-numeric-alpha DODAACs. As part of our directions we are tasked to standardize IAW MILSBILLS all ad hoc processes currently in place prior to migration of our workload to DFAS-Columbus. We understand and appreciate your position on the manual aspects related to this topic. The offset you explain will be provided to our senior managers for a reevaluation.</p> <p>Please note that our intent is to present your concerns which may lead to subsequent conversations between you and our managers.</p> <p>In the meantime, we ask that you consider granting an interim approval of our elimination efforts with the understanding that we will reverse the actions should you and our managers so dictate.</p>
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