



DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO

DLMSO

SEP 18 2006

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 211, Exception Processing for Government-Furnished Material (GFM) for Packaged Fuel Additives Managed by Defense Logistics Agency (Supply) (staffed as PDC 229)

The 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), approved for implementation. DAASC programming to support this change will be completed within 30 days.

Addressees may direct questions to the Defense Logistics Management Standards Office point of contact, Ms. Ellen Hilert, Chair, Supply Process Review Committee, 703-767-0676, DSN 427-0676, or e-mail: Ellen.Hilert@dla.mil or Mr. Robert Hammond, 703-767-2117, DSN 427-2117 or email: Robert.Hammond@dla.mil. Others must contact their Component designated representative. Others must contact their Component designated representative.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
DUSD(L&MR)SCI

ADC 211

Exception Processing for GFM for Packaged Fuel Additives Managed by DLA

1. ORIGINATOR:

a. Service/Agency: Defense Supply Center Richmond (DSCR), Defense Activity Address Support Center (DAASC) and Defense Energy Support Center (DESC)

b. Sponsor: DSCR Order Fulfillment, DSCR-BAOA, DSN 695-6192, Commercial (804) 279-6192

2. FUNCTIONAL AREA: Supply/Finance

3. REFERENCES: DOD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP); DOD 4000.25-M, Defense Logistics Management System (DLMS)

4. REQUESTED CHANGE:

a. Title: Exception Processing for GFM for Packaged Fuel Additives Managed by DLA

b. Description of Change: The change provides an exception/deviation to the current requirements under MILSTRIP, Chapter 11, Contractor Access to Government Supply Sources. This change establishes an automated DAASC edit/interface to provide Management Control Authority (MCA) validation on a temporary basis for Defense Energy Support Center (DESC)-sponsored GFM requisitions of selected stock numbers. Changes from the PDC version are **highlighted**. Comments received during formal staffing are enclosed.

c. Procedures: DAASC will build a DESC GFM Table which would identify DESC established "U" series (Contractor "UY" and Contingency "UC") DoDAACs authorized to requisition specified additive NSNs. **The Authorized DESC POC** will be responsible to provide DAASC the "UY or UC" series DoDAAC/NSN combinations for the DESC GFM Table. DESC-sponsored orders for GFM would specify one of the listed DoDAACs (SJ0630 (Americas East), SJ0606 (Americas West), SJ0629 (Middle East), SJ0601 (Europe), SJ0600 (Pacific) and SCO600 (DESC for "UC" locations) as the requisitioner/bill-to activity, contain the "U" series DODAAC designated as the ship-to activity and contain the DESC assigned MDN code starting in positions 54 that contain either an "A" or an "F." DAASC would route these requisitions **and any requisition related transactions (DI A0/AM/AT/A3/A4)** to the SoS for the NSN ordered...e.g. BSM (RIC SMS). The SoS will generate the MILSTRIP required Doc ID AX1 (GFM validation transaction) to DAASC (this is standard processing for both SAMMS and BSM). DAASC will capture any AX1 containing one of the listed DoDAACs (SJ0630 (Americas East), SJ0606 (Americas West), SJ0629 (Middle East), SJ0601 (Europe), SJ0600 (Pacific) or SCO600 for "UC" locations) as the requisitioner/bill to and a "U" DoDAAC as the ship-to and match it against the DESC GFM Table. If a table match is made by 'U' series DoDAAC and NSN, then DAASC would respond to the SoS with an AX2 (GFM validation response) with an advice code indicating the order is authorized for processing. The SoS would process the AX2 and either honor or reject the order based on the advice code provided by

DAASC. This request is predicated on the fact that the DESC GFM volume is relatively small and restricted to a select number of NSNs (mostly additives).

d. Alternatives: The following alternatives were discussed, but are not considered best solution.

(1) Continue the current procedure whereby GFM orders are processed by the DLA Call Centers. This method is not satisfactory because the resulting DLA Directed MRO (Requisition) DI Code C01, from the DSS depot bypasses the GFM systemic edit checks.

(2) Establish internal procedures within BSM to support DESC requirements. The requisitions would be submitted to BSM with an MCA/MDN code in 54-56 (e.g. F00). BSM edits would generate an AX1 against these. At the time BSM generates an AX1, the order is placed in an internal rejection status (reason for rejection ZJ) until an AX2 is received or 15 days lapses. DLA could designate someone to look for these DESC AX1 rejected/suspended orders and “unreject” them to allow the order to process, just as if an AX2 with 2M advice was received and triggered the “unreject”. This process relies on manual intervention and lacks automated security controls.

5. REASON FOR CHANGE: The selected NSNs have been logistically reassigned from DLA SAMMS to DLA BSM. However, BSM cannot currently process DESC-sponsored orders for GFM due to an inability to obtain GFM validation from either internal or external sources. This exception validation by DAASC will permit GFM requisitions to process automatically through BSM, and the GFM material to be shipped to the supplementary address of the DESC vendors or contingency location. The exception provides automated processing without human intervention. It also ensures that required controls are applied.

6. ADVANTAGES and DISADVANTAGES:

a. Advantages: This process change will improve control, flow, and timeliness to support external customers. It will provide goodwill to customers with unique requirements that the system currently lacks. The control by MDN for DESC vendors is heightened and will affect DLSS/DLMS. It takes advantage of the current BSM enhanced process capabilities. On the other hand, failure to approve and implement this process change will hamper the requisitioning process vital to DOD needs. The requisition processing will occur adjunct to the BSM operations as they will have to be processed manually bypassing the edit check which is a control necessary to manage these items. An example of just one 55 gallon drum costs over \$20K.

b. Disadvantages: There are no known disadvantages to implementing this process change.

7. IMPACT:

a. Data Content/Procedures: As specified.

b. Publication(s): Insert the following text under MILSTRIP, Appendix 4.10, Defense Logistics Agency Authorized Exceptions, Special Processes, and Delayed Implementation Dates, and in the DLMS manual.

AP4.10.14. Chapter 11, Contractor Access To Government Supply Sources. The DAASC will perform the DI AX1/AX2 validation on behalf of DESC for selected requisitioning/bill-to activities and stock numbers in accordance with the following procedures.

AP4.10.14.1 DAASC will maintain a DESC GFM Table which will identify DESC established U series contractor DoDAACs authorized to requisition specified additive NSNs. The authorized DESC POC will provide to DAASC the U series DoDAAC/NSN combinations for the DESC GFM Table.

AP4.10.14.2 DESC sponsored orders for GFM will specify DoDAAC SJ0630 (Americas East), SJ0606 (Americas West), SJ0629 (Middle East), SJ0601 (Europe), SJ0600 (Pacific) and SCO600 (DESC for UC locations) as the requisitioner/bill-to activity. They will contain a U series DODAAC designated as the ship-to activity, and contain the DESC assigned MDN.

AP4.10.14.3 DAASC will route requisitions and requisition related transactions (DI A0/AM/AT/A3/A4) to the SoS for the NSN ordered, and the SoS will generate the MILSTRIP required DI AX1, ICP GFM Validation Request, to DAASC.

AP4.10.14.4 DAASC will capture any AX1 containing DoDAAC SJ0630, SJ0606, SJ0629, SJ0601, SJ0600 or SCO600 (for UC locations) as the requisitioner/bill to and a U DoDAAC as the ship-to and match it against the DESC GFM Table. If a table match is made by U series DoDAAC and NSN, then DAASC will respond to the SoS with a DI AX2, MCA GFM Validation Response, with an advice code 2M, indicating the order is authorized for processing. If no match, DAASC will respond with DI AX2, ADVICE CODE 2V, indicating the order is not authorized for processing.

AP4.10.14.5 The SoS will process the AX2 and either honor the order or reject the suspended transaction using Status Code DN, based on the advice code provided by DAASC.

Comments Received during Staffing

| | Submitter | Comment | Response |
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| 1. | John Will, USTRANSCOM Corporate Data Office (CDO) | There is no procedure specified for maintaining the proposed edit table. on-going maintenance of this table is an important part of making this a successful implementation, and the procedure(s) for that maintenance need to be defined. | <p>DLA: When a DoDAAC, NIIN or Contract related to the DESC GFM Table for additive fuels needs to be deleted, modified or added the DESC Contract Administrator will alert the DESC DoDAAC Monitor or designee who will be responsible for updating via email any table and DoDAAC changes to DAASC. The DLA HQ DoDAAC Administrator will be CC'd on all correspondences and communication between DAASC and DESC. At this time, the DAASC POC and DLA HQ DoDAAC Monitor (same person) resides in J335 and will monitor actions on DLA's (J335, Order Fulfillment Division) behalf.</p> <p>DLMSO: ADC updated to remove provision allowing a contracting officer to notify DAASC.</p> |
| 2. | John Will, USTRANSCOM Corporate Data Office (CDO) | <p>The procedures for "no match" need to be better identified. Excerpt from the PDC:</p> <p style="padding-left: 40px;">" If no match, DAASC will respond with an advice code indicating the order is not authorized for processing."</p> <p>What is DLA to do when they receive an advice code indicating the order is not authorized?</p> | <p>DLMSO: Under standard MILSTRIP procedures the Advice Code 2V will be reflected in the AX2 transaction to indicate that the MCA validation reveals that the requested item, requisitioner, or DoDAAC in supplemental address is not authorized GFM. As a result the supply source will reject the suspended requisition with Status Code DN. If DESC believes that the requisition was rejected inappropriately, a manual review by DESC and DLA will be required to determine the cause. Specific advice and status codes inserted in the ADC to clarify.</p> |
| 3. | Bill Strickler, DAASC Logistics | DAASC would like a single DESC POC , not multiple POCs. | See response to 1 above. Recommend DESC designate a primary and alternate POC. |
| 4. | Bill Strickler, DAASC Logistics | Confirmation the process described is applicable to A0/AM/AT/A3/A4 transactions. | DLMSO: Confirmed. Added to the ADC. |
| 5. | Bill Strickler, DAASC Logistics | DAASC already has in place a process where ANY AX1 received with SGA/SHA in rp 74-76 is automatically validated AX2 with 2M advice. Would propose to insert SGA/SHA in orders as they flow through initially to fit the established process. Would still flow through the logic if AX1 did not contain SGA/SHA in rp 74-76 | <p>DLMSO: For this change we are requiring the submitter of the order to enter an MDN starting with an A or F, so there is no need to put the SGA/SHA RIC in 74-76. The expectation is that both the initial requisition type transaction and the subsequent AX1 will be validated against the DESC GFM table. The DAASC process providing an AX2 with 2M when the AX1 contains SGA/SHA is based on an Army exception to the normal MCA process and does not apply to this ADC. The automatic AX2</p> |

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| | | | <p>response is intended to apply to retail Army contractors that have no MCA and wholesale Army contractors whose orders appear to have previously passed through the Army MCA. This is necessary for the retail contractors as there is no special table or MCA to validate. It also supports the Army where they were unable to implement the approved MILSTRIP procedures; however, this process for wholesale Army contractors will be phased out as the Army systems are modernized.</p> |
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