IN REPLY
REFER TO   DLMSO

March 1, 2007

MEMORANDUM FOR SUPPLY, DODAAD AND FINANCE PROCESS REVIEW
COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC)
226, Revision of MILSTRIP, MILSBILLS and DLMS to add DODAAC
Authority Code edits (Supply/Finance/MILSTRIP/MILSBILLS/DODAAD)
(Staffed as PDC 235)

The attached change to DOD 4000.25, Defense Logistics Management System
(DLMS), DOD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures
(MILSTRIP), and DOD 4000.25-7-M, Military Standard Billing System (MILSBILLS) is
approved for staggered implementation. DAASC will modify the DODAAD database and
DODAAD Web interface to accept Authority Codes, and will load a default Authority Code of
00 (full authority to requisition, ship-to and bill-to) by March 1, 2007. DAASC will
incorporate the Authority Code edits for requisition and bills processing by 1 April 2007.
Components may implement at any time after March 1, 2007, and may update Authority Codes
at that time, including coordinating with DAASC to do mass Authority Code changes based
upon existing business rules. Existing DAAS edits will remain in effect until superseded by
Component request, so that in the interim the more restrictive of the existing edit or the
Authority Code may cause a requisition or bill to be rejected. Components who have
previously established restrictive edits for DODAACs should work with DAASC and DLMSO
to replace those edits with the appropriate Authority Codes.

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 Mr. Robert Hammond, 703-767-2117, DSN 427-2117 or e-mail:
robert.hammond@dla.mil. Others must contact their Component designated representative.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
DUSD (L&MR) SCI

Approved DLMS Change (ADC) 226
Revision of MILSTRIP, MILSBILLS and DLMS
to add DODAAC Authority Code edits
DAASC Processing of Requisitions, Shipping and Billing Restrictions

1. ORIGINATOR:

a. Service/Agency: Defense Logistics Management Standards Office (DLMSO)

b. Sponsor: DOD Activity Address Directory (DODAAD) Process Review Committee

c. Functional Point of Contact: Mr. Robert Hammond, 703-767-2117, DSN 427-2117 or e-mail: robert.hammond@dla.mil

2. FUNCTIONAL AREA: Supply/Finance

3. REFERENCES:

a. DOD 4000.25-M, Defense Logistics Management System (DLMS)

b. DOD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP)

c. DOD 4000.25-7-M, Military Standard Billing System (MILSBILLS)

4. REQUESTED CHANGE:

a. Title: Revision of MILSTRIP, MILSBILLS and DLMS to add DODAAC Authority Code edits

b. Description of Change:

This change will establish a new edit for DODAACs by Authority Code in order to restrict requisitioning, shipment and billing by DODAAC. DODAAC Authority Codes are applicable to all Components. This change will revise DLMS, MILSTRIP and MILSBILLS to identify DODAAC authorities for requisitioning, shipment and billing, and to provide for DAAS and source of supply rejection, under DLMS, MILSTRIP and MILSBILLS of requisitions or bills, as appropriate.

Initially, DAASC will assign Authority Code 00 (full authority to requisition, ship-to and bill-to. Existing DAAS edits will remain in effect until superseded by Component request, so that in the interim the more restrictive of the existing edit or the Authority Code may cause a requisition or bill to be rejected. Components who have previously established restrictive edits for DODAACs should work with DAASC and DLMSO to replace those edits with the appropriate Authority Codes. Following initial implementation, Central Service Points will update DODAAC Authority Codes, as appropriate, and will assign Authority Codes to new DODAACs.

DODAAC Authority Codes are shown below:

Code	Description	Definition
00	Requisition	Authorized to initiate a request for goods and services. Authorized ship-to and bill-to.
	Required[1]: POC[2], TAC[3] 1	
	Business Rules: No restrictions	
01	Ship-To Only	Can only be used as a ship-to address with no other implicit authority.
	Required: POC, TAC 1 and either TAC 2 and/or TAC 4	
	Business Rules: Not authorized to requisition or bill-to	
02	Finance (Bill-To Only)	DODAAC can only be used as a bill-to
	Required: POC, TAC 1, TAC 3. Note TAC 2 is not allowed.	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation	
03	Do Not Ship-To	Cannot be used as a ship-to destination
	Required: POC, TAC 1	
	Restriction: TAC 2 and TAC 4 are not allowed	
	Business Rules: Cannot be used as a ship-to designation	
04	DRMS Only	Defense Reutilization and Marketing Service (e.g., State agencies surplus). Used to identify activities who have no requisition authority other than for DRMS material.
	Required: POC, TAC 1	
	Business Rules: Cannot requisition new material. Only authorized to obtain materials from DRMS (DOD excess only)	
05	Non-Requisition	Cannot initiate a purchase or request for goods and services
	Required: POC, TAC 1	
	Business Rules: Cannot initiate a request for any goods/services.	
06	Free Issue	No cost option. This item is given away with no associated costs (e.g., DRMS, NGA Maps)
	Required: POC, TAC 1	
	Business Rules: Cannot requisition/purchase any goods/services. Similar to DRMS, but can request free of cost items (e.g., maps from NGA)	
07	Administrative	Administrative only. This code is used for information/identification purposes only (e.g., Defense Courier Service, or for future DODAAC activation, such as in the case of DODAACs reserved for contingencies (at which time a different Authority Code may be assigned))
	Required: POC, TAC 1	

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[1] Required means minimum required data element(s)

[2] POC is the Point of Contact

[3] TAC means Type of Address Code. There are four TAC codes, which may be assigned to a DODAAC. TAC 1 is required for all DODAACs, and may be used as the requisitioner and as the "ship to" and/or "bill to" address in the absence of a TAC 2, 3 or 4. TAC 2 is a "ship-to" address for freight and bulk items. TAC 3 is a "bill to" address. TAC 4 is used as a small parcel post address for items under 70 pounds.

Code	Description	Definition
	Business Rules: Cannot requisition, cannot be used as a ship-to designation, and cannot be used for billing. Information/identification use only.	

c. Procedures:

(1) Revise MILSTRIP Chapter 2 as indicated in **bold italics**:

C2.1 PREPARATION OF REQUISITIONS

C2.1.13. Requisitions will be prepared using valid DoDAACs for the purpose(s) intended. DoDAACs designated as the requisitioner, bill-to, or ship-to activity will be validated based upon the authority code assigned to each DoDAAC in the DoD Activity Address File and business rules described below. Refer to DAAS edit of incoming requisitions below for edit rules.

C.2.13. FOLLOW-UPS

C2.13.2.2. Follow-ups submitted to obtain the latest status on requisitions and which may be processed as requisitions when supply sources have no record of receipt of the original requisitions. These follow-up inquiries will be prepared to contain DI AT_ (one through five and seven or A through E) as prescribed in AP2.1. *When an AT_ is submitted, the DAASC authority code edits discussed in c.2.28.11 will be applied.*

C.2.19 MODIFICATION OF REQUISITIONS

C2.19.7. *When a requisition modifier is submitted to modify the Supplementary Address, Signal Code or Fund Code, the DAAS DODAAC authority code edits discussed in C2.28.11 will be reapplied.*

C2.28 DEFENSE AUTOMATIC ADDRESSING SYSTEM EDIT OF INCOMING REQUISITIONS

C2.28.11. DAAS shall perform validation of requisitions for authorized ordering, bill-to or ship-to DODAAC according to the DODAAC Authority codes below, and will reject requisitions that do not meet the DAAS DODAAC Authority Code edits. The DAAS will furnish DI AE9 transactions with Status Code CX to advise all concerned of the rejection of the requisition. If the transaction failing the edit is AM_, DAAS will reject with supply status DI AE_ and status code D7.

DODAAC Authority Codes:

Code	Description	Definition
00	*Requisition*	*Authorized to initiate a request for goods and services. Authorized ship-to and bill-to.*
	Required: POC, TAC 1	
	Business Rules: No restrictions	
	DAAS DODAAC Authority Code Edit: no additional edit	
01	*Ship-To Only*	*Can only be used as a ship-to address with no*

Code	Description	Definition
		other implicit authority.
	Required: POC, TAC 1 and either TAC 2 and/or TAC 4	
	Business Rules: Not authorized to requisition or bill-to	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used in requisition supplementary address field (record positions 45-50) with signal code J, L, M, X	
02	*Finance (Bill-To Only)*	*DODAAC can only be used as a bill-to*
	Required: POC, TAC 1. Note TAC 2 is not allowed.	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used in the requisition supplementary address field (record positions 45-50) with signal code B	
03	*Do Not Ship-To*	*Cannot be used as a ship-to destination*
	Required: POC, TAC 1	
	Restriction: TAC 2 and TAC 4 are not allowed	
	Business Rules: Cannot be used as a ship-to designation	
	DAAS DODAAC Authority Code Edit: If DODAAC used in requisition requisitioner field (record positions 30-35) must contain signal code J, K, L, M, X. If used in the requisition supplementary address field (record positions 45-50 must contain signal code A, B, C, or D.	
04	*DRMS Only*	*Defense Reutilization and Marketing Service (e.g., State agencies surplus). Used to identify activities who have no requisition authority other than for DRMS material.*
	Required: POC, TAC 1	
	Business Rules: Cannot requisition new material. Only authorized to obtain materials from DRMS (DOD excess only)	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used with DRMS RIC (S9D) in record positions 4-6	
05	*Non-Requisition*	*Cannot initiate a purchase or request for goods and services*
	Required: POC, TAC 1	
	Business Rules: Cannot initiate a request for any good/services.	
	DAAS DODAAC Authority Code Edit: DODAAC cannot be used in requisition in the requisitioner field (record positions 30-35).	
06	*Free Issue*	*No cost option. This activity is restricted to items that are available without cost (e.g., DRMS, NGA Maps)*
	Required: POC, TAC 1	
	Business Rules: Cannot requisition/purchase any goods/services. Similar to DRMS, but can request free of cost items (e.g., maps from NGA)	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used with signal code D or M	
07	*Administrative*	*Administrative only. This code is used for information/identification purposes only (e.g., Defense Courier Service, or for future DODAAC activation, such as in the case of DODAACs*

Code	Description	Definition
		reserved for contingencies (at which time a different Authority Code may be assigned.))
	Required: POC, TAC 1	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation, and cannot be used for billing. Information/identification use only.	
	DAAS DODAAC Authority Code Edit: DODAAC may not be used in a requisition in record positions 30-35 or in record positions 45-50 as a ship- to or bill-to.	

Figure C3.1. Requsition Processing and Related Actions

CODE OR DATA ELEMENT   **ENTRY IS BLANK OR INCORRECT**

Requisitioner[4]   Discard *if entry is blank or incorrect. If the DODAAC fails the Authority Code edits in C2.28.11, then the transaction will be rejected with CX or D7 status as appropriate.*

Supplementary Address[5]   Reject (CX status) if blank or invalid and the signal code is B, J, K, L or M*. If the DODAAC fails the Authority Code edits in C2.28.11, then the transaction will be rejected with CX or D7 status as appropriate.*

APPENDIX 2.16 REQUISITION TRANSACTION STATUS CODES

CODE   **EXPLANATION**
CX   *(6) DODAAC is not an authorized ship to, bill to or requisitioner based upon established Authority Code*

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

C6.3.2. Bill Editing

C6.3.2.1. DAAS shall edit and reject any bill which fails any of the following edits:

C6.3.2.1.1. The record count (positions 5-7) of the summary billing record equals the actual count of the supporting detail billing records.

C6.3.2.1.2. The bill-to DoDAAC (reference (i)) (positions 30-35) of the summary billing record is a valid DoDAAC **with Authority Code 00, 02, 03, or 05.**

(**3**) Revise DLMS Volume 2, Chapter 4 as follows:

C4.2 PREPARATION OF REQUISITIONS.

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[4] Deferred implementation of Authority Code edits authorized pending supply source system modernization.
[5] Deferred implementation of Authority Code edits authorized pending supply source system modernization.

C4.2.10.   Requisitions will be prepared using valid DoDAACs for the purpose(s) intended. DoDAACs designated as the requisitioner, bill-to, or ship-to activity will be validated based upon the authority code assigned to each DoDAAC in the DoD Activity Address File and business rules described below. Refer to DAAS edit of incoming requisitions below for edit rules.

C4.5 REQUISITION MODIFICATIONS

4.5.4. When a requisition modifier is submitted to modify the ship-to and/or bill-to DODAAC(s), Signal Code or Fund Code, the DAAS DODAAC authority code edits discussed in C4.8.10 will be reapplied.

C4.6. REQUISITION INQUIRIES/REQUESTS FOR SUPPLY ASSISTANCE

C4.6.2.1. Follow-Up Format. Requisition follow-ups can be accommodated in two formats. DS 869A provides a streamlined requisition follow-up. DS 869F requisition follow-up offers the additional capability of conveying all information provided on the original requisition (with the exception of quantity stratification by weapon system) so that the follow-up may act as a requisition if the inquiry is unmatched to the IMM's data base. *When a follow-up that may act as a requisition is submitted (DS 869F), it will be subject to the Authority Code edits of C4.8.10.*

C4.7. REQUISITION PROCESSING AND RELQATED ACTIONS.

C4.7.21.1.4.1. Invalid Transaction Entries. When the modifier transaction contains invalid entries for data elements listed in paragraph C4.5.1 *or the DODAAC Authority Code edits in C4.8.10*, the modifier request shall be rejected using Status Code D7.

C4.8 DAAS EDIT OF INCOMING REQUISITIONS

C4.8.10. DAAS and source of supply shall perform validation of requisitions, modifiers, and follow-ups that can be treated as requisitions for authorized ordering, bill-to, or ship-to DODAAC according to the DODAAC Authority Codes below, and will reject requisitions that do not meet the DODAAC Authority Code edits[6]. DAAS or the source of supply will furnish Status Code CX to advise all concerned of the rejection of the requisition. If the transaction failing the edit is a modifier, then DAAS or the source of supply will reject with Status Code D7.

Code	Description	Definition
00	*Requisition*	*Authorized to initiate a requisition/purchase for goods and services. Authorized ship-to and bill-to*
	Required: POC, TAC 1	
	Business Rules: No restrictions	
	DAAS DODAAC Authority Code Edit: no additional edit	
01	*Ship-To Only*	*Can only be used as a ship-to address with no*

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[6] Deferred implementation of Authority Code edits is authorized pending supply source system modernization. Also, note that DAAS is currently using MILSTRIP edits for DLMS transactions as an interim measure, pending full DLMS implementation.

Code	Description	Definition
		other implicit authority.
	Required: POC, TAC 1 and either TAC 2 and/or TAC 4	
	Business Rules: Not authorized to requisition or bill-to	
	DAAS DODAAC Authority Code Edit: DODAAC may not be used in N101 with codes OB, BT, and BS, and may not be used in N901 with code TN.	
02	*Finance (Bill-To Only)*	*DODAAC can only be used as a bill-to*
	Required: POC, TAC 1, TAC 3. Note TAC 2 is not allowed.	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation	
	DAAS DODAAC Authority Code Edit: DODAAC may not be used in N101 with codes OB, ST, Z7 and BS, and may not be used in N901 with code TN.	
03	*Do Not Ship-To*	*Cannot be used as a ship-to destination*
	Required: POC, TAC 1	
	Restriction: TAC 2 and TAC 4 are not allowed	
	Business Rules: Cannot be used as a ship-to designation	
	DAAS DODAAC Authority Code Edit: DODAAC may not be used in N101 with codes ST, Z7 or BS.	
04	*DRMS Only*	*Defense Reutilization and Marketing Service (e.g., State agencies surplus). Used to identify activities who have no requisition authority other than for DRMS material.*
	Required: POC, TAC 1	
	Business Rules: Cannot requisition new material. Only authorized to obtain materials from DRMS (DOD excess only)	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used with P0105 code NC and N101 code Z4 is S9D	
05	*Non-Requisition*	*Cannot initiate a purchase or request for goods and services*
	Required: POC, TAC 1	
	Business Rules: Cannot initiate a request for any goods/services.	
	DAAS DODAAC Authority Code Edit: DODAAC cannot be used as N101 code OB or N901 code TN	
06	*Free Issue*	*No cost option. This activity is restricted to items that are available without cost (e.g., DRMS, NGA Maps)*
	Required: POC, TAC 1	
	Business Rules: Can not requisition/purchase any good/services. Similar to DRMS, but can request free of cost items (e.g., maps from NGA)	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used with P0105 code NC	
07	*Administrative*	*Administrative only. This code is used for information/identification purposes only (e.g., Defense Courier Service, or for future DODAAC activation, such as in the case of DODAACs reserved for contingencies (at which time a different Authority Code may be assigned.))*
	Required: POC, TAC 1	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation,	

Code	Description	Definition
	and cannot be used for billing. Information/identification use only.
	DAAS DODAAC Authority Code Edit: Cannot be used with N101 codes OB, BT, BS, ST, or Z7 or in N901 code TN

      d. Effective: DAASC should implement this change as soon as possible.

5. REASON FOR CHANGE. The purpose and usage DODAACs has expanded over the years to the point that it is necessary to identify the capabilities and limitations that are associated with a particular DODAAC. The implementation of Authority Codes allows all systems to understand what constraints are applicable to a particular DODAAC. Currently, there is not an effective mechanism in place to prevent inadvertent or deliberate errors in requisitions or billing by activities that do not have that authority. This can result in unauthorized requisitioning of material and frustrated bills that cannot be paid.

6. ADVANTAGES AND DISADVANTAGE:

      a. Advantages: Allows the continued multi-purpose use of DODAACs, while succinctly identifying the constraints applicable to logistics and financial systems usage. This change allows for limiting transactions by DODAAC based upon the authority for the DODAAC, which is a capability that does not now exist. This will prevent deliberate or inadvertent erroneous requisitioning and billing.

      b. Disadvantages: None known

7. IMPACT:

      a. Publications: DLMS, MILSTRIP and MILSBILLS will have to be revised.

      b. The DAAS edits for requisitions will have to be modified. Component Source of Supply systems will have to be modified to take advantage of this enhancement.

      c. Some manual processing will be required by Central Service Points to assign DODAAC Authority Codes to existing and new DODAACs.