IN REPLY
REFER TO   DLMSO

JAN 3 0 2008

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 267, Interim Change for DLMS 527R Receipt to Support Intra-Army Direct Support/ Reparable Exchange Decapitalization Transaction (Supply/MILSTRAP) (Staffed as PDC 290)

The attached change to DOD 4000.25-M, DLMS, is approved for implementation. The updated DLMS Supplement will be posted to the Defense Logistics Management Standards Office (DLMSO) Web site, http://www.dla.mil/j-6/dlmso/elibrary/TransFormats/formats.asp, within **10** days from the above date for implementation planning.

Addressees may direct questions to the DLMSO point of contact, Ms. Mary Jane Johnson, at (703) 767-0677; DSN 427-0677; or, e-mail: Mary.Jane.Johnson@dla.mil. Others must contact their Component designated Supply PRC representative.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
DUSD(L&MR)SCI

Interim Change for DLMS 527R Receipt to Support Intra-Army Direct Support/Reparable Exchange Decapitalization Transactions (Supply/MILSTRAP) (Staffed as PDC 290)

1. ORIGINATOR:

    a. Service/Agency: Army Headquarters, United States Army Material Command

    b. Originator: Army, Logistics Modernization Program (LMP), commercial phone: 856-988-4878

2. FUNCTIONAL AREA: Supply

3. REFERENCE:

    a. DLMSO Memorandum, December 6, 2007, PDC 290, Proposed Defense Logistics Management System (DLMS) Change (PDC) 290, Interim Change for DLMS 527R Receipt to Support Intra-Army Direct Support/Reparable Exchange Decapitalization Transaction

    b. DLMSO Memorandum, January 8, 2008, PDC 290A, Interim Change for DLMS 527R and 527D to Support Intra-Army Direct Support/Reparable Exchange Decapitalization Transactions

4. REQUESTED CHANGE:

    a. **Title:** Interim Change for DLMS 527R Receipt to Support Intra-Army Direct Support/ Reparable Exchange Decapitalization Transactions

    b. Description of Change:

    (1) This ADC approves PDC 290 (reference 2.a.). PC 290A (reference 2.b.) is hereby rescinded by this ADC. Upon further consideration of the PDC 290A requirement to revise DLMS 527D/MILSTRAP DFX, Army determined that PDC 290A should be rescinded, as the change was not needed for 527D/DFX. Army only needs the requirement documented by this change for DLMS 527R/MILSTRAP D6X as staffed by PDC 290.

    (2) Army process for Direct Support/Reparable Exchange (DS/RX) includes the decapitalization of assets Operations and Maintenance Army (OMA) funds from the Tactical level, to Army Working Capital Funds (AWCF) for National level. Direct Support maintenance is used to augment Organizational Level maintenance, characterized by one-stop service to supported units, and represents highly mobile, weapon-system oriented maintenance backup support to unit level maintenance. A Reparable Exchange item is an item that is repaired at the Direct Support or General Support level for the local/regional supply system.

    (3) Currently DS/RX items are decapitalized from OMA funds, and capitalized in AWCF (Army Working Capital Funds), using the D6X (Materiel Receipt - Other Than Procurement Instrument Source (Decapitalization)) transaction with an "X" in rp 73, and rp 74-75 blank. This is

performed to differentiate to National level systems (LMP and CCSS) the DS/RX decapitalizations from those associated with normal Logistics Reassignment. This is a nonstandard use of the MILSTRAP Document Identifier (DI) D6X transaction, which requires entry of a date in rp 73-75, and is intended to be used only with the logistics reassignment process. Unlike the normal logistics transfer process, the intra-Army DS/RX transactions will increase on-hand inventory, generate a D8F (Inventory Adjustment - Increase (Capitalization)) for posting, to capitalize in the general ledger and clear the DFX (Memorandum Due-In).

   (4) Army requests implementation of a temporary DLMS 527R data element LIN01 = X, at 2/LIN01/010, to identify that the transaction is to record Decapitalization/Capitalization of assets between funding types, in support of the existing Army Direct Support/Reparable Exchange process. **Army requests a DLMS/DLSS deviation from standard process, to continue this business practice in both the DLMS 527R and DLSS DI Code D6X transactions, until Army Exchange Pricing is in effect (estimated to be April 2009).**

   c. Procedures:

   (1) Revise DoD 4000.25-2-M, MILSTRAP, AP3.2, DI Code D6_ as follows:

FIELD LEGEND	RECORD POSITION(S)	ENTRY AND INSTRUCTIONS
Day of Year (Released by Carrier)	73-75	Enter ordinal day of the calendar year that materiel was released by carrier.[5]

[5] On an intra-Army basis, Army sometimes uses D6X for their Direct Support/Reparable Exchange process by citing X in rp 73 with rp 74-75 blank. This is a temporary deviation from standard processing in place until implementation of Army Exchange Pricing (estimated to be April 2009). (See ADC 267.)

   (2) Revise DLMS Supplement for 527R as follows:

Item #	Location	Revision to 527R, Material Receipt	Reason	Federal IC Impact
1.	DLMS Introductory Note:	Added ADC 267 to DLMS Introductory note 6. *- ADC 267, Interim Change for DLMS 527R Receipt to Support Intra-Army Direct Support/Reparable Exchange Decapitalization Transactions.*	To identify DLMS changes included in the DS	No update needed
2.	2/LIN01/010	Added new entry to existing DLMS Note. *23. X – For temporary use in intra-Army transactions to record Decapitalization/ Capitalization of assets between funding types. Army authorized DLMS migration enhancement for interim use until implementation of Army Exchange Pricing (estimated to be April 2009). 'X' will be deleted from 527R at that time. This is associated with Intra-Army use of DI Code D6X when rp 73 = X. See ADC 267.*	Needed on an interim basis to support an existing Army process in Army's DLMS Migration effort. The existing process is a nonstandard use of the DLSS and DLMS transactions, and is being requested for a temporary period, after which this code will be eliminated from DS 527R	No update needed

   (3) Revise DAASC Mappings for Army D6X to 527R to reflect that for Army generated DI Code D6X, with rp 73 = X and rp 74-75 blank, this field maps to DLMS 527R 2/LIN01/010 code X, rather than a 2/G6201/050 date.

     d. Alternatives: None known.

5. REASON FOR CHANGE: Documents and incorporates, for temporary use, the DLSS and DLMS requirements for intra-Army data elements, to support the Direct Support/Reparable Exchange receipt and follow on triggers at the National level.

6. ADVANTAGES AND DISADVANTAGES:

     a. Advantages: Supports Army implementation of DLMS migration effort to be able to differentiate Army's nonstandard Direct Support/Reparable Exchange decapitalizations form those associated solely to Logistics Reassignment.

     b. Disadvantages: Perpetuates nonstandard use of MILSTRAP DI Code D6X and corresponding DLMS 527R, but is only required until this process becomes obsolete with the implementation of Army Exchange Pricing (estimated to be April 2009).

6. IMPACT: Modify DLMS Supplement 527R, MILSTRAP, and related DAASC conversion maps.