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IN REPLY
REFER TO

February 27, 2013

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 1007A,
Enhanced Pre-positioned Materiel Receipt (PMR) Data for Product Quality
Deficiency Report (PQDR) Exhibit Tracking (Supply/MILSTRAP)

The attached change to Defense Logistics Manual (DLM) 4000.25, Defense Logistics Management System (DLMS) and DLM 4000.25-2, Military Standard Reporting and Accounting Procedures (MILSTRAP) is approved for staggered implementation.

Addressees may direct questions to Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676 (DSN 427), or email: ellen.hilert@dla.mil or Ms. Mary Jane Johnson, DOD MILSTRAP Administrator, 703-767-0677 (DSN 427), or email: mary.jane.johnson@dla.mil. Others must contact their Component designated representative.

For 
DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD(SCI)
DOD PQDR Committee

ADC 1007A
**Enhanced Pre-positioned Materiel Receipt (PMR) Data for
Product Quality Deficiency Report (PQDR) Exhibit Tracking**

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: DLA Logistics Management Standards Office, Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676; DSN 427-0676; or e-mail: Ellen.Hilert@dla.mil.

2. FUNCTIONAL AREA:

a. Primary/Secondary Functional Area: Quality Assurance/Receipt and Shipment

b. Primary/Secondary Functional Process: PMR for Quality Deficient Materiel

3. REFERENCE:

a. [Approved DLMS Change \(ADC\) 1007](#), New DLMS 842P, Product Quality Deficiency Report (PQDR) Data Exchange and Enhanced Exhibit Tracking via Standard Logistics Transactions, dated October 1, 2012

b. AR 702-7/AFR 74-6/SECNAVINST 4855.5A/DLAR 4155.24, Product Quality Deficiency Report Program.

c. [ADC 353A](#), Revised Procedures for Pre-Positioned Materiel Receipt (PMR) and Shipment Status for Retrograde and Directed Discrepant/Deficient Materiel Returns Including Corrected Time Standard for Security Assistance/Foreign Military Sales (SA/FMS) (Supply/SDR/PQDR/TDR/Retrograde), dated August 25, 2010.

4. APPROVED CHANGE:

a. Brief Overview: This change further enhances the procedures established under ADC 1007 (Reference 3.a.) for exhibit tracking using standard logistics transactions. PQDR exhibit tracking is facilitated by including the PQDR Report Control Number (RCN) in applicable DLMS transactions and providing information copies of the receipt and shipment status to the Product Data Reporting Evaluation Program-Automated Information System (PDREP-AIS) for further dissemination, if needed, to other Service/Agency PQDR applications. ADC 1007 updated the DLMS 527R Receipt, 856S Shipment Status, and 940R Materiel Release to include the PQDR RCN; this addendum similarly updates the DLMS 527D PMR by expanding upon guidance included in ADC 353A (Reference 3.c.). This change documentation supplements ADC 1007 in response to a recommendation from DLA Distribution.

b. Scenario for Which the Transaction is Used: DLAR 4155.24 (Reference 3.b.) requires PQDR submissions for deficiencies detected on new or newly reworked Government owned products that do not fulfill their expected purpose, operation, or service due to deficiencies in design, specification, materiel, software, manufacturing process, and/or workmanship, items suspected or found to be counterfeit, or an unauthorized/unapproved

product substitution. When further analysis of the reported deficiency is required, an exhibit may be requested for shipment to a DOD activity. DLMS PMR procedures specifically identify a requirement for a PMR for the return shipment of the exhibit (Reference 3.c.).

c. Procedures, Transactions, Data Elements, Processing Details in Use Today:

Preparation of a PMR for the return of the exhibit may be manual or automated. The return shipment is tagged with the PQDR RCN.

d. Approved Change in Detail:

(1) General: The exhibit tracking requirement leverages core logistics transactions for the desired exhibit tracking to minimize the manual effort needed to independently update PQDR applications with exhibit status. This functionality will be accomplished by including the PQDR RCN in the applicable DLMS transaction and by providing a copy of the transaction to PDREP-AIS. Upon receipt of the transaction, PDREP would notify any other applicable interfacing system via the PQDR Inter-Service Interface (PQDRII). The identification of PDREP will be accomplished by inclusion of the PDREP DoDAAC as a “Party to Receive Copy” in the receipt and shipment status transaction for dissemination to PDREP by DLA Transaction Services.

(2) PMR: The activity directing return of the exhibit is responsible for simultaneous creation of the PMR when the item is to be shipped to a distribution depot or other DOD storage activity. The PMR must cite the PQDR RCN when one is available. There is no requirement to identify an information copy of the PMR for PDREP-AIS. Where the supporting AIS does not systemically prepare the PMR, the activity directing the exhibit return must prepare the PMR manually.

(a) Revisions to DLM 4000.25: Revise Volume 2, Chapter 12 as follows. Updates are identified in *red bold italics*.

“C12.2. CONTROL OF MATERIEL DUE-IN

(Intervening text not shown.)

C12.2.6. Product Quality Deficiency Materiel. When ICPs/IMMs direct materiel for return based on a reported product quality deficiency, they shall prescribe use of Supply Condition Code (SCC) Q in the disposition instructions to the returning activity. IMMs shall establish and monitor due-ins for all returns of potential/confirmed product quality deficiency related materiel, citing the document number included in the report. Provide ~~ARs~~ **PMRs** for the returns to receiving storage activities, under C12.3, citing the due-in document number and SCC.

C12.2.7. Product Quality Deficiency Report (PQDR) Exhibit Tracking. When establishing a PMR for a PQDR exhibit, the activity directing the return must include the PQDR Report Control Number (RCN) to facilitate exhibit tracking. When the receipt is processed, the receiving activity will perpetuate the PQDR RCN from the PMR to the receipt transaction.”

(b) **Revisions to DLMS Supplements.** The following changes are approved for the PMR.

#	<u>Location</u>	<u>527D Revision</u>	<u>Explanation</u>
1.	DLMS Introductory Note:	<u>Add ADC 1007A to DLMS Introductory notes.</u> - <i>ADC 1007A, Enhanced Pre-positioned Materiel Receipt (PMR) Data for Product Quality Deficiency Report (PQDR) Exhibit Tracking</i>	To identify DLMS changes included in the DLMS Supplement.
2.	2/N901/90	<u>Revise the DLMS note for existing Qualifier QR:</u> QR Quality Report Number DLMS Note: <i>1. Use to cite the PQDR report control number (RCN) when applicable to directing the return of quality deficient/suspected quality deficient materiel and to facilitate exhibit tracking. Recommended for inclusion in the PMR where an automated interface with the discrepancy reporting application is available.</i> <i>2. Authorized DLMS enhancement; see introductory DLMS note 3a. Refer to ADC 353A and ADC 1007A.</i>	Links the PMR to a specific PQDR. Intent is to provide the PQDR RCN when available (even if manual input is needed) rather than waiting for a fully integrated interface. When designated as an “authorized DLMS enhancement,” further coordination will not be required prior to use.

e. **Alternatives:** None identified.

5. REASON FOR CHANGE: This addendum provides stronger guidance for the inclusion of the PQDR RCN in the PMR than was previously identified in ADC 353A, to include inclusion of the requirement in the DLMS manual. This addendum links the use of the PMR specifically to procedures for exhibit tracking.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages:

(1) The use of standard logistics transactions for PQDR exhibit tracking will eliminate a great deal of manual effort to update PQDR applications manually for each shipment and receipt of an exhibit and will ensure a more consistent outcome.

(2) Identification of the PQDR RCN will facilitate receipt processing and allow for systemic population of the PQDR RCN in the receipt.

b. Disadvantages: No known disadvantage.

7. ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW DEVELOPMENT: DLMS-compliant information systems will be designed with appropriate interfaces to facilitate preparation of the PMR for directed return of quality deficient/suspected quality deficient materiel citing the PQDR RCN.

8. ADDITIONAL FUNCTIONAL REQUIREMENTS: Upon successful implementation of revised exhibit tracking procedures under ADC 1007, the use of the DLMS 842A/W with Discrepancy Code Q11 for PQDR exhibit receipt notification will be terminated. Follow-on DLMS Changes may be needed to further refine the exhibit tracking procedures and update procedures associated with the PQDR information exchange.

9. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: Not currently available. Implementation may be staggered. Note that the DLMS 842A/W with Discrepancy Code Q11 for PQDR exhibit receipt notification will not be terminated until implementation of the enhanced receipt transaction.

10. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: Not available.

11. IMPACT:

a. New/Revised DLMS Data Elements: No new or revised data elements.

b. Automated Information Systems (AIS):

(1) DLMS-compliant applications responsible for preparation of the PMR must include the PQDR RCN in the DLMS 527D when directing shipment of exhibits to a distribution depot or other DOD activity if a PMR is provided.

(2) The Distribution Standard System (DSS), or other DOD receiving activity, should systemically perpetuate the PQDR RCN to the receipt transaction from the associated PMR when available; otherwise the receiver must be prompted to manually enter the value.

(3) Upon implementation of the PQDR RCN in the receipt, systemic generation of the DLMS 842A/W SDR for PQDR exhibit receipt notification (Discrepancy Code Q11) must be discontinued. Components relying on the use of the DLMS 842A/W (transaction or email distributed by DOD WebSDR) must transition to using the enhanced receipt transaction.

c. DLA Transaction Services: No revision. An information copy of the PMR for PDREP-AIS is not required.

d. DOD EMAIL: Requires update to the PMR format to include the PQDR RCN to support manual preparation.

Enclosure 1 Proposed Change Concurrence and Comment Resolution

	Originator	Response/Comment	Disposition
1.	Army	<p>Concur.</p> <p>If this is adopted, will PDREP-AIS be a separate tab in PDREP, or will this information be fed directly into PQDR entries/PQDR history in PDREP?</p>	<p>Noted.</p> <p>DLMS Office Response:</p> <p>This DLMS change adds the PQDR RCN to standard logistics transactions for use when the owner supply system is notified as depots receive and ship PQDR exhibits. PDREP-AIS will be provided a copy to enhance the information available for exhibit tracking. The intent is to reduce the need for separate actions to update PDREP for these exhibit movements.</p> <p>The further intent is for PDREP-AIS to maintain this visibility and share with other PQDR applications thru the PQDR II (which hopefully will transition to full DLMS PQDR transactions in the future).</p> <p>PDREP Response:</p> <p>Once its determine that the PDC will be approved, PDREP will coordinate with the Configuration Review Board (CRB) to develop and refine the requirement to implement the change in PDREP to handle the new incoming data and create the display requirements within PDREP. Army has members on the CRB and will play a key role in determining how the will be used to track and monitor exhibits.</p> <p>For example, the data from the new transactions can fill in existing data fields for PQDR exhibit & shipment tracking. A link to view of all the data received could also be provided within the PQDR history page (or elsewhere), in the event anyone wanted to see the entire transaction. Certainly the intent is to integrate the received data into the PQDR</p>

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			<p>as much as possible so PQDR users don't have to 'hunt' it down.</p> <p>The PQDR Interservice interface must also be able to forward the exhibit data using the 842P DLMS process to other IT systems that may also be processing the same record.</p>
2.	Navy	<p>Concur.</p> <p>Navy did receive concerns about the implementation timeline from COMFRC's NAVAIR Depot Maintenance System's (NDMS) staff. They acknowledged that they will need to implement changes in NDMS to comply with this PDC, however, these changes cannot be done until at least FY14 (after the last FRC transitions to IMSP.) The PDC says that implementation will be staggered. Did you have an idea of the implementation schedule that will be requested in the ADC?</p> <p>PDREP Comment:</p> <p>Implementation of ADC 1007 would “essentially would prompt PDREP to replace current functionality when PDREP receives 842A/W type records with the SDR Q11 code and a PQDR RCN. It requires the unique PQDR RCN to be added to the 527 transaction which makes it easily identifiable as PQDR exhibit data. The new transaction type would use the 527 transaction. The 527 can identify when an exhibit is receipted. The 527s could come from any system that use the 527s and process a PQDR exhibit.</p> <p>PDREP will need to adapt to receive the 527 data transaction, receiving the data, and updating the appropriate PQDRs exhibit tracing info, and if necessary push the exhibit tracking info out the</p>	<p>Noted.</p> <ol style="list-style-type: none"> 1. ADC is established for staggered implementation. FY14 is acceptable. 2. This update to the original approved change added clarification for use of the PQDR RCN on the 527D used for the PMR. This may impact PDREP or Navy ERP depending upon which application will prepare the transaction in association with directed return of deficient materiel to DOD.

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		PQDR Interservice Interface.	
3.	Air Force	<p>Concur.</p> <p>PDC 1007A adds a new DLMS transaction to the QDR process. ILS-S currently does not send the QDR (Report Control Number) RCN on any transaction. ILS-S would need to implement the 842P IAW PDC 1007A.</p> <p>ILS-S will (also) need to put the RCN on the 856S and 940R transactions.</p> <p>Request 24-month lead time for budgeting and planning.</p>	<p>Noted.</p> <p>For clarification, this change does not require implementation of the 842P. The PQDR RCN is known at the time the deficient materiel is directed for return to DoD. The goal is to include that value in the PMR.</p> <p>This change is approved for staggered implementation.</p>
4.	Marine Corps	Concur.	Noted.
5.	DLA	<p>Concur.</p> <p>1. The site for the DLA QDR home page isn't working. Is there a correction to it?</p> <p>2. Request clarification will the PQDR RCN be required to be transmitted back on the SDR which is generated at the depot at time of receipt.</p>	<p>1. DLA is in the process of re-hosting the site under a J33 controlled environment. The URL has been removed for the ADC references. The intent is for the guidance to be made available from the DLA PQDR Home Page.</p> <p>2. SDR transactions with Discrepancy Code Q11 indicating PQDR exhibit receipt does include the data field for the PQDR RCN. Depots are required to capture that field (it has been included in remarks pending a DSS change which I believe is part of latest release). The long term plan is to transition away from using the SDR transaction for exhibit receipt notification and put the PQDR RCN on the receipt transaction itself. Using an "SDR" for this purpose is not an appropriate business process, but DLA required this under initial SDR implementation to support legacy functionality.</p>
6.	DOD EMALL	Can you clarify the last line of attached PDC? DOD EMALL does not send out	DLA EBS doesn't systemically generate the PMR when applicable to a directed return

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		a PMR form.	(pending major system fix). DLA has an SOP telling personnel to use EMALL to manually prepare it. The PMR transaction format in EMALL does include the new data element, so it needs to be updated to permit inclusion of the PQDR RCN.
7.	USTRANSCOM	Abstains; there is no impact to USTRANSCOM systems based on this change	Noted.