IN REPLY
REFER TO

October 03, 2013

MEMORANDUM FOR SUPPLY AND FINANCE PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management Standards (DLMS) Change (ADC) 1068,   Enhanced Procedures for Requisitioning via DOD EMALL and GSA Internet Ordering: Component Verification of Funds Availability and Materiel Identification using the Supplier-Assigned Part Number and/or Supplier Commercial and Government Entity (CAGE) Code (Supply/Finance)

The attached change to DLM 4000.25, Defense Logistics Management System (DLMS) is approved for staggered implementation. The Army and Marine Corps Supply PRC representative are required to actively monitor for implementation of this ADC and provide an implementation date when available.

Addressees may direct questions to: Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676 or DSN 427-0676, email: ellen.hilert@dla.mil; Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111, e-mail: heidi.daverede@dla.mil; or Mr. Robert Hammond, Finance PRC Chair, email: finance@hq.dla.mil. Others may direct questions to their Service or Agency designated PRC representative available at: www.dla.mil/j-6/dlmso/CertAccess/SvcPointsPOC/allpoc.asp.

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD (SCI)
ODASD (DPAP)

Attachment to ADC 1068
Enhanced Procedures for Requisitioning via DOD EMALL and GSA Internet Ordering:
Component Verification of Funds Availability and Materiel Identification using the Supplier-
Assigned Part Number and/or Supplier Commercial and Government Entity (CAGE) Code

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Global Combat Support System-Army (GCSS-Army): ASA-FM&C, (804) 279-8382 or CASCOM, (804) 279-8086

2. FUNCTIONAL AREA:

    a. Primary/Secondary Functional Area: Finance and Supply Logistics

    b. Primary/Secondary Functional Process: Procure to Pay

3. REFERENCES:

    a. U.S. Army Audit Agency report: Management Controls Over Offline Purchases Audit, Report: A-2006-0136-ALL 13, dated June 2006

    b. Approved DLMS Change (ADC) 328, "Off-Line" Requisition Processing: Internet Ordering Application Request for Component Verification of Funds Availability and Recording of the Financial Obligation, dated July 28, 2009

    c. DLM 4000.25, DLMS, Volume 2, Supply

    d. DLM 4000.25, DLMS, Volume 4, Finance

    e. DLM 4000.25-1, Military Standard Requisitioning and Issue Procedures (MILSTRIP)

4. APPROVED CHANGE(S):

    a. Brief Overview:

        (1) The purpose of this change is to document enhancements and expanded implementation of the procedures established under ADC 328 (Reference 3.b.) and employed by DOD EMALL and GSA Advantage/GSA Global for eCommerce. This change modifies the requirements for a DLMS transaction exchange for funds verification request/funds verification response prior to submission of internet "off-line" orders to the Source of Supply (SoS). This requirement is essential for MILSTRIP requisitions employing Interfund payment method to fulfill regulatory requirements to ensure funds availability and establishment of the financial obligation. Under this ADC, the data content in the Verification of Funds Availability Request (FV1) transaction is enhanced to better accommodate part number orders and the transaction flow is revised to use DLA Transaction Services as the processing hub. The reply codes passed in the Verification of Funds Availability Reply (FV2) are expanded to accommodate additional validation by the receiving system. DLM 4000.25, DLMS, Volume 4, Finance (Reference 3.d.) is the authoritative source for the FV1 and FV2 transactions.

        (2) This ADC implements the funds verification transaction exchange to support routing to two additional Service trading partners: the Global Combat Support System (GCSS)-Army and the Marine Corps Standard Accounting, Budgeting and Reporting System (SABRS). Although

this change identifies specific implementation requirements for the Army and Marine Corps, it is noted that the funds verification process has applicability for all DOD Components.

(3) This change also updates DLMS documentation/transaction formats to recognize the use of the supplier-assigned part number and/or the supplier's Commercial and Government Entity (CAGE) Code when ordering from vendor supported catalogs within DOD EMALL and GSA internet ordering applications. This requires revision to numerous DLMS transaction notes that currently support materiel identification using the manufacturer's part number and CAGE.

b. Background:

(1) ADC 328 authorized phased implementation of the funds verification process. Thus far, DOD EMALL and GSA Advantage/GSA Global have only implemented the transaction exchange for MILTRIP Interfund requisitions submitted by Army customers that are transmitted to the Army Funds Control Module (FCM). With implementation of GCSS-Army, financial accounting for a growing number of Army customers will transition to the GCSS-Army Enterprise Resource Planning (ERP) program requiring DOD EMALL and GSA to direct Army customer orders to the appropriate financial system. The Army requires the interface with GCSS-Army for the funds verification process to support regulatory requirements and audit readiness.

(2) The Marine Corps requires implementation of the funds verification process with SABRS to support regulatory requirements and audit readiness.

(3) When deployed in an ERP, this interface will allow the requisitioning and receiving Service to develop internal procedures to support
- ensuring funds are available prior to submission of the requisition,
- establishing interfund bill obligations,
- validating authorized customers,
- ensuring obligations accurately reflect price,
- establishing due-ins, and
- processing materiel receipts.

(4) At the time the original interface for funds verification was conceived, the only way to accomplish the requirement within the time constraints for on-line ordering was to employ a point-to-point interface. Use of such a direct connection is not consistent with current DOD policy and does not readily support the expansion to additional trading partners. The transition to using DLA Transaction Services as the processing hub is required for DLMS compliance.

(5) When items ordered are identified only by part number and the CAGE code (rather than national stock number (NSN)), the supply and financial systems supporting the customer cannot adequately identify the item. Additional information is available within the ordering system and will be added to the funds verification request.

(6) During discussions with the DOD EMALL and GSA representatives, it became apparent that the funds verification business rules were not implemented uniformly as is required under DLMS. Business rule clarification is necessary to ensure all requirements are met.

(7) One of the identified procedures included in ADC 328 to require a DLA Transaction Services interface for processing of supply status (Status Code CX) was subsequently determined to be obsolete. This process was never implemented as it was considered cumbersome and unnecessary. The DLMS procedures must be updated to accurately reflect the desired procedures.

c. Approved Change in Detail:

(1) Update the Verification of Funds Availability Request (FV1) format to include part number description and federal supply classification (FSC) for part-numbered items. DOD EMALL and GSA Advantage/Global will provide the FSC when available. If not available, the receiving application must be able to continue processing the Funds Verification Request.

(2) Clarify that the use of the funds verification process does not obviate the DLMS/MILSTRIP requirement for the SoS to provide supply status for the requisitioned materiel.

(3) Remove the obsolete requirement for the DLA Transaction Services interface for preparation of supply status (CX status).

(4) Update DLMS procedures and transaction formats to specify requirements for transmission via the DLA Transaction Services Gateway. The transactions will be routed according to the Uniform Resource Locator (URL) identifying the DLA Transaction Services Gateway followed by a Communications Routing Identifier (COMMRI), which will be interpreted by the Gateway as a pointer to the applicable receiving application. The FV1/FV2 transactions will not be opened or edited by DLA Transaction Services.

(5) Update the Fund Verification Reply Code to remove obsolete Codes C and F and update the text explanation for Code D as shown in Enclosure 2.

(6) Update DLMS procedures to recognize that part numbered items ordered from vendor catalogs within DOD EMALL and GSA Advantage/Global may identify materiel on the Verification of Funds Availability Request by the supplier-assigned part number and/or supplier CAGE. There will be no way to distinguish supplier identification from manufacturer information within this or subsequent transactions. In addition to updating the notes associated with the part number/CAGE for the funds verification process, it will be necessary to update the DLMS guidance in transactions that potentially result from the internet requisition since these currently specify the use of a manufacturer's part number/CAGE. The DLMS note changes impact requisition-related transactions, their associated supply and shipment status, the receipt and materiel receipt acknowledgement (MRA), the logistics bill, and the supply discrepancy report (SDR). DLMS notes currently specifying that the primary materiel identification by manufacturer part number and CAGE will be modified to indicate that the part number and/or CAGE may be assigned by the supplier for requisitions sourced via DOD EMALL or a GSA internet ordering system.

Staffing Note:
1. DLA Logistics Information Service "Commercial and Government Entity (CAGE)" is the authoritative source for all CAGE data (see http://www.dlis.dla.mil/cage_welcome.asp).
2. The above change to allow supplier-assigned materiel identification must be carefully considered before moving forward. If the option to identify materiel by the supplier's CAGE/part number is supported, there may be downstream system and procedural impact.

3. The initially identified set of transactions impacted by this change are listed at paragraph 4.d.(4). The DLMS 842P, Product Quality Deficiency Report is not listed because it already contains mapping for both supplier and manufacturer CAGE/part number information. The listed transactions do not currently identify those transactions applicable to DLMS/MILSTRAP inventory procedures based upon the understanding that the materiel ordered from DOD EMALL or GSA Advantage/Global is for immediate consumption (meaning this materiel will not be maintained on the storage activity's accountable record or require inventory actions). Services/Agencies must propose a change if additional transactions require comparable note changes.

(7) Update DLMS procedures to allow the Service system to provide a negative response to the Verification of Funds Availability Request when it is determined that any of the following conditions exist:

(a) The requisitioner is not authorized to order the type of materiel identified. GCSS-Army will perform this edit. The edit may be implemented by other Service systems if so desired.

(b) The Service system has no record for the identified CAGE. CAGE values are validated prior to use with DOD EMALL and GSA ordering systems, however, this error condition may result from a manually entered part number requisition or a difference between the Service system and the authoritative source (DLA Logistics Information Service CAGE) due to timing of updates. GCSS-Army will perform this edit. The edit may be implemented by other Service systems if so desired.

(c) The requisitioner is attempting to modify the fund code subsequent to supply action by the SoS. MILSTRIP authorizes the requisitioner to update the fund code prior to supply action, but once the SoS has begun order fulfillment, an update to this data field is not acceptable. If the requisition modification were released to the SoS, it would result in rejection status Supply Status Code B2, "Status of supply or procurement action precludes requested modification." If the Service system has visibility of shipment status or receipt/partial receipt applicable to the requisition, it should block the forward processing of the fund code modification, thereby preventing unnecessary processing and avoiding delay for SoS processing. GCSS-Army will perform this edit and it will be available for use by other Service systems if so desired.

(8) Update DLMS procedures to define requirements for processing of the Verification of Funds Availability Response (FV2), when the FV1 is distributed to two trading partners because the requisitioner and the bill-to activity are not supported by the same system. This may occur when two different Services are involved or when a single Service is supported by two systems. The internet ordering system will not complete processing until both Service systems provide a reply. If either contains a negative response (i.e., numeric funds verification reply code value), the requisition cannot be submitted to the SoS. If both contain a positive response (i.e., alpha funds verification reply code value) the requisition may continue processing. The following steps apply:

(a) If the Signal Code is C or L, the internet ordering system will use Fund Code to Billed DoDAAC Conversion Table to match the requisitioner's Service code and Fund Code to retrieve the bill-to DoDAAC for inclusion in the FV1. This may be achieved through a web service with DLA Transaction Services or importing of the table. (Skip this step if web service/table not available. Processing may continue and the bill-to DoDAAC will be left blank.)

(b) If Army activities (W-series DoDAACs) are involved (requisitioner or bill-to (supplementary address or associated with the fund code)), use a DoDAAD look-up to identify the bill-to COMMRI for that DoDAAC to determine if it is supported by GCSS-Army. If the COMMRI does not align with GCSS-Army, then the funds verification will be conducted with Army FCM.

(c) A DoDAAD look-up will not be required to identify the Marine Corps financial system. All FV1 transactions for a Marine Corps bill-to DoDAAC will be directed to COMMRI RUQABAS which will be used as a pointer to SABRS.

(d) Prepare FV1 transaction using distribution rules shown in the table below. Rows 1-3 depict standard processing. However, exceptions are possible whereby multiple Services may be involved or both Army systems may be involved. When this occurs, it is possible that two transactions must be prepared. If directed to FCM, use existing direct point-to-point interface with FCM. If directed to GCSS-Army or Marine Corps SABRS, use the DLA Transaction Services gateway interface.

Requisition Example Number	Requisition Content					Request for Funds Verification Routing		
	Requisitioner w/GCSS-A Bill-To COMMRI	Bill-To w/GCSS-A Bill-To COMMRI	FCM Requisitioner	FCM Bill-To	MC Bill-To	FV1=> FCM	FV1=> GCSS-A	FV1=> SABRS
1.	Y	Y					X	
2.			Y	Y		X		
3.					Y			X
4.	Y				Y		X	X
5.			Y		Y	X		X
6.	Y			Y		X	X	
7.		Y	Y			X	X	

(9) Update DLMS procedures to clearly state that requisition processing will not continue when the funds verification process cannot be completed because the Service system is not available or a negative response has been provided.

(10) Ensure uniform implementation of DLMS procedures of the three-hour time standard allowed for the internet ordering system awaiting response from the Service system prior to terminating processing of unverified orders. Requisitioners will be alerted via email when this occurs.

(11) Update the DLMS Manual Volume 4 to formally publish appendices for the funds verification data and formats.

d. Revision to DLM 40000.25 Manuals:

(1) Revise DLMS Volume 4 procedures for the funds verification process as described above and to include administrative updates (e.g. "shall" converted to "will"). See Enclosure 1.

(2) Revise the DLMS Volume 4 to establish a data element appendix for the Funds Verification Reply Code. See Enclosure 2.

(3) Revise the DLMS Volume 4 to establish a transaction format appendix for the Verification of Funds Availability Request (FV1) (with additional data elements for the FSC and item description as discussed above) and the Verification of Funds Availability Reply (FV2) (removing obsolete funds verification reply codes). See Enclosure 3.

(4) Revise DLMS transaction formats to clarify that the part number and/or CAGE may identify the supplier information (vice manufacturer) if the requisition was sourced via DOD EMALL or a GSA internet ordering system. Transactions currently considered to be applicable are listed here; see Enclosure 4 for format updates. Also refer to staffing note on Attachment Page 3.

- 511R Requisition
- 511M Requisition Modification
- 527D Due-in/Advance Receipt /Due Verification
- 527R Receipt, Inquiry, Response and Materiel Receipt Acknowledgement
- 810L Logistics Bill
- 812L Logistics Bill Adjustment Request Reply
- 812R Logistics Bill Adjustment Request
- 842A/W Standard Supply Discrepancy Report (SDR), Follow-up, Correction, Cancellation, & Reconsideration Request
- 842A/R Standard SDR Reply
- 856S Shipment Status
- 869C Requisition Cancelation
- 869F Requisition Follow-up
- 870S Supply Status

(5) Revise MILSTRIP Chapter 2 to remove obsolete rejection procedures:

"C2.28.12. ***Reserved***. ~~DAAS shall provide supply status (DIC AE9) containing Reject Status CX to status recipients in response to requisitions/referral orders containing Status Code CX transmitted by DoD EMALL, GSA Advantage/Global, or other authorized internet ordering application. Under these conditions, CX status shall be provided on behalf of the internet ordering application to advise of rejection due to lack of available funds or other criteria associated with the funds verification process. The internet ordering application shall be perpetuated by DAAS as the RIC-From of the Supply Status. Refer to internet ordering application funds verification procedures for details (DLM 4000.25, DLMS, Volume 4, Chapter 7, Verification of Funds Availability Web Call for Requisitions Submitted via Internet Ordering Applications).~~ [12]

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~~[12] Refer to ADC 328, Off-Line" Requisition Processing: Internet Ordering Application Request for Component Verification of Funds Availability and Recording of the Financial Obligation.~~"

(6) Revise MILSTRIP Appendix 2.16, Status Codes, to remove obsolete reject criteria:

"Code   Explanation

CX   Rejected.

(1) Unable to identify the bill-to and/or ship-to address as designated by the signal code or the signal code is invalid.

(2) The Military Assistance Program Address Code (MAPAC) does not exist in DLM 4000.25, Volume 6, Chapter 3, as a valid ship-to and/or mail-to address. (Applicable to ICP/IMM processing only.)

(3) GSA Advantage GY/GZ series activity address codes (AAC) are not authorized for use in DoD requisitions/orders.

(4) Activity identified in the requisition is not authorized as a requisitioning or bill-to activity.

(5) If still required, submit a new requisition with valid data entries.

(6) ~~Notification of rejection due to lack of available funds or other criteria associated with the funds verification process. Provided in response to the internet ordering application's request for funds verification. The RIC-From associated with the internet ordering application used for submission of the requisition/referral order is identified in the DIC AE9. Rejection is provided by the DoD Component responding to the funds verification request under DoD and DoD Component-directed business rules, and not the DAAS or the Source of Supply.~~ [22]

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[22] ~~Used by internet ordering applications on requisitions, modifications, and follow-ups for subsequent rejection by DAAS. Refer to ADC 328.~~"

e. Approved Transaction Flow: Upon submission of interfund requisitions identifying Army (W-series only) requisitioners or bill-to activities, or Marine Corps (M-series only) bill-to activities, the internet ordering application (e.g., DOD EMALL, GSA Advantage/Global) will initiate the funds verification process.

**(1)** If directed to FCM, the existing point-to-point direct interface will be used.

(2) If directed to GCSS-Army or SABRS, the funds verification transactions will be transmitted through the DLA Transaction Services gateway using a hypertext transfer protocol secure (HTTPS) synchronous call. The DLA Transaction Services gateway will act as a forward proxy server, keeping the sender's connection open and opening a new connection to the destination system. The following steps apply as illustrated in the typical transaction flow diagram below:

(a) The ordering system will prepare the transmission to DLA Transaction Services identifying the DLA Transaction Services URL and the COMMRI of the Service system to receive the transaction, and pass to the DLA Transaction Services gateway. If the FV1 must be sent to two systems, the ordering application will prepare two separate transactions.

(b) DLA Transaction Services will forward transactions to the URL of the receiving system using the COMMRI provided by the transaction originator as a point to the appropriate system.

(c) Upon receipt of FV1 by the Service system, funds are verified and the appropriate response generated. The FV2 response content is returned to DLA Transaction Services as a HTTPS response.

(d) DLA Transaction Services will forward the FV2 response content to the internet ordering system using the current open synchronous connection.
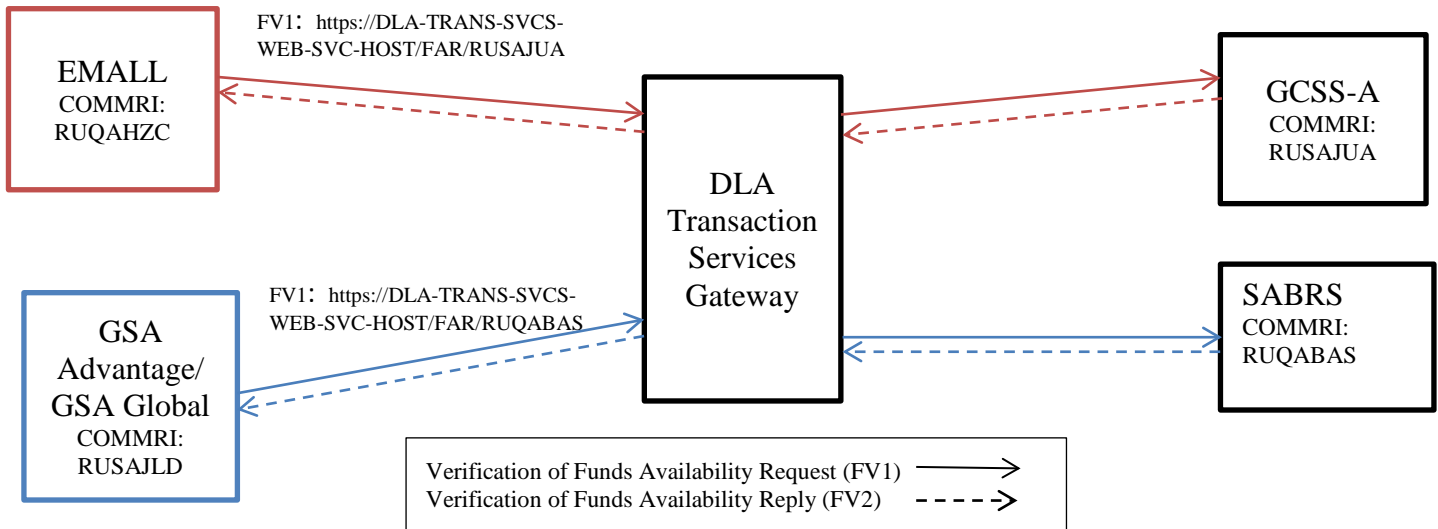
f. Alternatives:

(1) Revert to manual processing by the requisitioner to establish obligation prior to placing the order in the off-line requisitioning system.

(2) Suspend internet ordering dependent upon interfund payment for customers supported by GCSS-Army.

g. Concurrence/Comment Resolution. Refer to Enclosure 6.

5. REASON FOR CHANGE:

a. Army: The Army Audit Agency published findings that identified material weaknesses related to Army "off-line" purchases. The audit highlighted the lack of timely obligations, established statuses, and materiel receipts in Army accountable records. In response, the Army, DLA, and GSA developed business rules and a middle-ware interface to validate customer information, obligation amounts and notify suppliers if the requisition is valid to process. The Army is now fielding an ERP system that performs the middleware functions internally. The ERP necessitates a re-write of the business rules and routing for transactions to support the new ERP environment. Failure to adopt changes and business rules will return the Army to a material weakness for financial obligations in retail transactions.

b. DOD Wide:

(1) The process enhancements identified in this ADC bring the transactional interface into compliance with DOD and standard DLMS procedures for use of the DLA Transaction Services hub and supports the expanded implementation to other Services.

(2) The additional data content allows the Service to better identify the purchased materiel. When the order is placed using a commercial catalog for non-NSN materiel, the Service has no alternative method to identify and later review materiel being purchased is consistent with Service policy.

(3) The lack of uniform implementation and inclusion of obsolete requirements in the DLMS manual necessitate coordination and publication of appropriate procedures.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages:

(1) This change will update eCommerce processes to support ERP systems, currently being fielded across the Services. Updating this functionality for future systems will enable Army and Marine Corps to meet financial accountability goals and prevent a subsequent material weakness for an identified problem area. The updated requirements provide additional functionality to enhance the business process beyond the rules originally identified and ensure greater uniformity in their implementation.

(2) Wider implementation of the funds verification interface may facilitate expanded use of this process for other ordering applications that require the order to be placed from outside the customer's standard supply system.

b. Disadvantages: Development and implementation costs are the only significant disadvantage to building the solution. The changes require the cooperation and timely processing of a number of participating trading partners.

7. ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW DEVELOPMENT:

a. GCSS-Army activities can be identified by the bill-to COMMRI for the requisitioner or bill-bill-to activity in the DoD Activity Address Directory (DoDAAD). Internet ordering systems will identify FV1 transactions directed to GCSS-Army using COMMRI RUSAJUA.

b. The existing interface with Army FCM will not be modified under this ADC (except for new data content for part numbered items, if so desired). This is because this interface will be phased out over time as the Army deploys GCSS-Army to additional locations. It is more appropriate to conserve resources rather than change the interface, since the process is operational and can function properly for its remaining lifespan.

c. DLA Transaction Services will act as the hub for the synchronous transmissions between the internet ordering application and the Service's finance or ERP system. This will require DLA Transaction Service to maintain operational support on a continuous basis (24 hours per day/7days per week).

8. ADDITIONAL FUNCTIONAL REQUIREMENTS:

    a. Upon determination of the best approach, DLA Transaction Services will provide visibility of the Fund Code to Billed DoDAAC Conversion Table to DOD EMALL and GSA (upon request). This visibility will allow the ordering system to identify the bill-to activity in the FV1 when not cited in the requisition transaction (applicable to Signal Code C or L).

    b. As soon as feasible GSA Advantage/Global will implement DoDAAC authority code edits prior to initiating the funds verification process to block invalid requisitions prior to further processing.

9. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: GCSS-A is targeting June 2014 for joint implementation with DOD EMALL, GSA, and DLA Transaction Services. SABRS target implementation date is not available.

10. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: Unknown.

11. IMPACT:

    a. New DLMS Data Elements: None.

    b. Changes to DLMS Data Elements:

        (1) The materiel identification is revised to clarify that the part number and CAGE data fields may contain the supplier part number and/or supplier CAGE rather than the currently designated use of the manufacturer part number and associated CAGE. This change impacts the funds verification process and all potentially applicable DLMS transactions supporting shipment and receipt of this materiel. Refer to the DLMS transaction list at paragraph 4.d. (4).

        (2) The Verification of Funds Availability Request (FV1) format is revised to add data elements for the FSC and item description.

        (3) The funds verification reply code set is revised to delete obsolete Codes C and F (similarly worded alternative codes are available), update the text explanation for Code D, and add new reply codes 6, 7, and 8. See Enclosure 2.

    c. DLMS Website: Revise the DLMS Transaction webpage to add rows to the table for the two funds verification transactions. Add the schemas for the FV1 and FV2 to the DLMS transaction column (when they become available) and links for the FV1 and FV2 (to DLM 4000.25, Volume 4, Appendix 3) in the document identifier column (DIC) column.

    d. Automated Information Systems (AIS):

        (1) DOD EMALL, GSA Advantage, GSA Global, GCSS-Army, and SABRS must be modified to process the Verification of Funds Availability Request and the Verification of Funds Availability Reply in accordance with DLMS procedures. This includes updates to the transaction format as currently in use for the Army FCM interface and the use of the new communication interface through the DLA Transaction Services Gateway.

(2) DOD EMALL and GSA Advantage/Global must be modified to use a DoDAAD look-up to determine the appropriate routing for the Verification of Funds Availability Request.

(3) Army FCM will not be impacted by this change. The current transaction formats and direct (point-to-point) interface will be retained until phased out due to transition of Army DoDAACs to GCSS-Army.

(4) Navy and Air Force financial systems: No impact at this time. If/when an implementation goal is identified, the standard interface approach established under this proposal for GCSS-Army and SABRS will be utilized. Implementing Services need to identify COMMRIs for receipt of the funds verification request, along with business rules to identify which orders apply (e.g., Service codes and preference for Service bill-to only vs. requisitioner/bill-to).

e. DLA Transaction Services: Process the Verification of Funds Availability Request and Verification of Funds Availability Reply as a "pass-through" transaction with distribution to the identified recipient.

f. Non-DLA Logistics Management Standards Publications: Internal Component guidance, DOD EMALL and GSA Advantage/Global user guidance may require update.

Enclosure 1, DLMS Manual Revisions

Revise DLMS Volume 4, Finance, Chapter 7 as shown. Revisions under this ADC are shown in ***red bold italics*** or double strike-through.

VERIFICATION OF FUNDS AVAILABILITY ~~WEB CALL~~ FOR REQUISITIONS SUBMITTED VIA INTERNET ORDERING APPLICATIONS

C7.1. <u>IMPLEMENTING FUNDS AVAILABILITY VERIFICATION</u>. Internet ordering applications that accept Military Standard Requisitioning and Issue Procedures (MILSTRIP) requisitions dependent upon interfund billing procedures (e.g., <u>DoD EMALL</u>, General Services Administration (GSA) Advantage/GSA Global) ***must*** implement Defense Logistics Management ***Standards*** (DLMS) procedures for verification of Component funds availability. Components ***will*** establish procedures to process the request for verification of funds availability and ensure subsequent establishment of a financial obligation.[1]

   C7.1.1. DoD Components may authorize manual recording of the financial obligation by the customer as a separate action until an automated interface between the ordering application and a Component-sponsored financial system is available.

   C7.1.2. Where an interface is not available, external ordering applications ***must*** alert users to comply with their Component-directed financial procedures.

   C7.1.3. The core function of this process is the verification of funds availability and creation of the associated financial obligation. However, when transmitted to an enterprise resource program (ERP) the funds availability request may be used to support additional processing such as validation of authorized requisitioners or materiels and preparation of the due-in record to support receipt processing.

C7.2. <u>FUNDS AVAILABILITY REQUEST</u>. The Verification of Funds Availability Request ***will*** be ~~prepared as a web call~~ ***transmitted via the DLA Transaction Services gateway*** for ***synchronous,*** online, real-time processing in the format prescribed at ***Appendix 3*** ~~www.dla.mil/j-6/dlmso/elibrary/manuals/dlm/v4/v3a3.docx~~. ***Ordering application transactions will cite the DLA Transaction Services URL followed by the applicable Service system communications routing identifier (COMMRI) to designate desired routing. The DLA Transaction Services gateway will act as a forward proxy server between the initiating system and the destination system.***[2]

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[1] ~~Under the pilot program,~~ Implementation is limited to ~~an~~ interfaces between DoD EMALL and GSA Advantage/GSA Global and the Army Funds Control Module (FCM), ***GCSS-Army***, and the Marine Corps ***SABRS*** financial application. . Additional Component interfaces are projected under future phases. Refer to ADC 328 ***and ADC 1068.***
[2] ***The FCM direct interface established under ADC 328 will be retained pending transition of Army activities to GCSS-Army. Upon full transition to GCSS-Army, the FCM interface will be terminated.***

C7.3. UNDERLINE(BUSINESS RULES). Business rules for processing the Verification of Funds Availability Request are as follows. [1]

C7.3.1. Ordering applications *will* not send requisitions, requisition modifications, and requisition follow-ups to the Source of Supply (SoS) until the funds availability check is completed **and** positive confirmation is received.

C7.3.2. The Verification of Funds Availability Request *will* be forwarded to the Army when the requisition identifies an Army DoDAAC in either the document number or **bill to (**supplemental address *or associated with the fund code). Pending full deployment of the Global Combat Support System (GCSS)-Army, the internet ordering application must identify the applicable Army financial system to which the request must be transmitted. GCSS-Army activities may be identified by the requisitioner and/or bill-to activity's bill-to COMMRI. All other Army activities will default to the Funds Control Module interface. Only W-series Army DoDAACs will be eligible for the funds verification process.*

C7.3.3. The Verification of Funds Availability Request will be forwarded to the Marine Corps Standard Accounting, Budgeting and Reporting System (SABRS) when the requisition identifies a Marine Corps DoDAAC as the bill-to. Only M-series Marine Corps DoDAACs will be eligible for the funds verification process. The initiating system will designate SABRS by citing the COMMRI applied for this purpose.

C7.3.4. The ordering application will determine appropriate routing and populate the applicable COMMRI in the transaction passed to the DLA Transaction Services gateway. When communication with multiple Services (or both Army systems) is required, a separate transaction will be prepared for each.

C7.3.5. The funds verification process is not applicable to free-issue requisitions.

C.7.4. UNDERLINE(FUNDS AVAILABILITY REPLY). The Verification of Funds Availability Reply *will* be ~~prepared as a web call~~ *transmitted via the DLA Transaction Services gateway* for *synchronous,* online real-time processing in the format prescribed at *Appendix 3*~~www.dla.mil/j-6/dlmso/elibrary/manuals/dlm/v4/v3a3.docx~~. *The responding Service system will provide the response content to DLA Transaction Services acting as the forward proxy server. DLA Transaction Services will use the existing open connection to forward the response content to the ordering application.*

C7.5. UNDERLINE(BUSINESS RULES). Business rules for processing the Verification of Funds Availability Reply are as follows. [2]

C7.5.1. The Service financial application will respond to all Verification of Availability Requests within 30 seconds of receipt.

C7.5.2. When the internet ordering system transmits a Verification of Funds Availability Request to two Service systems simultaneously (because the requisitioner and the bill-to are associated with different systems), the requisition will not be processed until both Service systems provide a Verification of Funds Availability Reply. If both contain a positive (alpha) funds verification reply code, the requisition may continue processing. If either contains a negative (numeric) funds verification reply code, the requisition will not be released for further processing.

Display the negative code/text for the customer to clarify the reason the requisition has not been accepted.

C.7.*6*. PROCESSING MULTIPLE LINE ITEMS. When multiple line items are included in the customer's "shopping cart," they ***will*** be processed for funds verification as individual requisitions in succession by sequence[3] described below, thereby allowing funds to be applied appropriately should there be insufficient funds for the entire "cart." The sequence ***will*** be:

C7.*6*.1. Priority Designator (PD).

C7.*6*.2.   OSD/JCS project codes.

C7.*6*.3. Special Requirements Code 999 and PD 01-03.

C7.*6*.4. Special Requirements Code N (NMCS) (PD 01-08).

C7.*6*.5. Special Requirements Code E (ANMCS) (PD 01-08).

C7.*6*.6. Special Requirements Code 555 and PD 01-08.

C7.*6*.7. Required Delivery Date.

C7.*7*. VERIFICATION OF AVAILABILITY REPLY CODE. The receiving DoD Component ***will*** verify funds availability and provide the applicable reply code.

C7.*7*.1. Under the following criteria, the requisition ***will*** be considered acceptable for further processing by the Internet ordering application and forwarding to the SoS by citing an alpha Funds Verification (FV) Reply Code.

C7.*7*.1.1. If funds are available for the bill-to DoDAAC and no error conditions exist, the requisition ***will*** be authorized for continued processing, the funds available balance decremented, and the applicable financial obligation established. Cite FV Reply Code A.

C7.*7*.1.2. If the bill-to DoDAAC is determined under internal Component procedures as not applicable to the funds verification process (e.g., funded by an alternative funding source, which the Component is not able to verify), the requisition ***will*** be authorized for continued processing with no action. Cite FV Reply Code B.

~~C7.6.1.3. If the bill-to DoDAAC is not identified in the web call due to procedures for third-party billing (bill-to DoDAAC associated with the Fund Code/Signal Code C or L)~~[4]~~, but the requisitioner DoDAAC has funds available and no error condition exists, the requisition shall be authorized for continued processing, the funds available balance decremented, and the applicable financial obligation shall be established under the requisitioner's DoDAAC. Cite FV Reply Code C.~~

C7.*7*.1.*3*. If the bill-to DoDAAC is not identified in the ~~web call~~ ***Verification of Funds Availability Request*** due to procedures for third-party billing (bill-to DoDAAC associated with the

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[3] Sequencing rules are based upon those established for demand sequencing under MILSTRIP Chapter 3, paragraph 3.1.2. These rules deviate from demand sequencing to include use of the RDD.

[4] Procedures for verification of third party bill-to DoDAACs are under ~~consideration for a future enhancement~~ ***development***.

Fund Code/Signal Code C or L), and the funds verification cannot be ***accomplished*** ~~approved using the requisitioner DoDAAC~~, but no error condition exists, the requisition ***will*** be authorized for continued processing. Cite FV Reply Code D.

C7.***7***.1.***4***. If the unique message identification number (control number) assigned for the ~~web call~~ ***request*** is a duplicate of a previously processed funds availability request, but funds are available, the requisition ***will*** be authorized for continued processing. Cite Funds Verification (FV) Reply Code E.

C7.***7***.1.***5***. Under Component-directed procedures, requisitions may be forwarded for funds verification even where the requisitioner's Component is not responsible for reimbursement to the SoS, e.g., a requisition with an Army requisitioner and a Navy bill-to activity. ~~The requisitioner's Component may choose to obligate funds under the requisitioner DoDAAC as a precaution. The Army has directed that these procedures be employed for Army requisitioners.~~

~~C7.6.1.6.1. If the bill-to DoDAAC is identified as another Component, but the requisitioner DoDAAC has funds available, the requisition shall be authorized for continued processing, the funds available balance decremented, and the applicable financial obligation established. Cite FV Reply Code F~~.

~~C7.6.1.6.2.~~ If the bill-to DoDAAC is identified as another Component, but the requisitioner DoDAAC does not have funds available, no action ***will*** be taken by the requisitioner's financial application and the requisitioner ***will*** be asked to confirm that correct information is used in the requisition and an obligation has been recorded by the bill-to Component. Cite FV Reply Code G. The customer may choose to continue or abort processing (subject to bill-to activity's funds verification processing, when available).

C7.***8***. CRITERIA FOR UNACCEPTABLE REQUISITION PROCESSING. Under the following criteria, the requisition ***will*** not be considered acceptable for further processing by the Internet ordering application by citing a numeric Funds Verification (FV) Reply Code.

C7.***8***.1. If funds are not available for the bill-to DoDAAC, the requisition ***will*** not be authorized for further processing. Cite FV Reply Code 1.

C7.***8***.2. If the bill-to DoDAAC is not authorized under Component procedures as a valid bill-to DoDAAC, the requisition ***will*** not be authorized for further processing. Cite FV Reply code 2.

C7.***8***.3. If the Fund Code is not recognized and acceptable to the billed Component, the requisition ***will*** not be authorized for further processing. Cite FV Reply Code 3.

C7.***8***.4. If the requisition document number (or document number/suffix) is a duplicate of a previously established obligation, the requisition ***will*** not be authorized for further processing. Cite FV Reply Code 4.

C7.8.5. If the requisitioner DoDAAC is not authorized to order the specified materiel under Component procedures, the requisition will not be authorized for further processing. Cite FV Reply Code 6.

C7.8.6. If the Service system requires prior establishment of authorized commercial and government entity (CAGE) Code associated with part numbered materiel and the CAGE is not

recognized by the Service system, the requisition will not be authorized for further processing. Cite FV Reply Code 7. This reject condition will be flagged for further review within the Service system to determine the source of the problem.

C7.8.7. If the requisitioner is attempting to modify the fund code after supply action has been initiated by the SoS and the Service system has visibility of this (e.g. shipment status has been provided), the requisition will not be authorized for further processing. Cite FV Reply Code 8.

C7.*9*. <u>REQUISITON MODIFICATIONS</u>. Requisition modifications *will* be processed for verification of funds availability to ensure that the original requisition obligation is on file and any applicable changes to fund code or bill-to activity are acceptable. The materiel identification on the modification must match that on the original requisition. The responsible Component *will* not reject or establish a new obligation for requisition modifications due to a duplicate document number.

C7.*9*.1. Where no action is taken due to a previously recorded obligation and there are no error conditions, the requisition modification *will* be authorized for further processing. Cite FV Reply Code H.

C7.*9*.2. Where the materiel identification does not match that of the previously recorded obligation matching on document number, the requisition *will* be rejected. Cite FV Reply Code 5.

C7.*9*.3. If the Component has no identified obligation for the document number (or document number/suffix), process as a new requisition under the above procedures for verification of Component funds availability. Cite the applicable FV reply code. Note: The funds verification process may result in rejecting modifications to requisitions that had previously processed successfully by the SoS. Direct communication with the requisitioning Component's financial office and possibly the SoS may be required to resolve the problem.

C7.*10*. <u>REQUISITION FOLLOW-UPS</u>. Requisition follow-ups in DLMS 869F, Document Identifier Code (DIC) AT_ format *will* be processed for verification of funds availability to ensure that the original requisition obligation is on file. The materiel identification on the follow-up must match the original requisition. The responsible Component *will* not reject or establish a new obligation for these follow-ups due to a duplicate document number.

C7.*10*.1. Where no action is taken due to previously recorded obligation and there are no error conditions, the requisition follow-up *will* be authorized for further processing. Cite FV Reply Code H.

C7.*10*.2. Where the materiel identification does not match that of the previously recorded obligation (matching on document number), the requisition *will* be rejected. Cite FV Reply Code 5.

C7.*10*.3. If the Component has no obligation identified for the document number (or document number/suffix), process as a new requisition under the above procedures for verification of Component funds availability. Cite the applicable FV reply code. Note: The funds verification process may result in rejecting follow-ups to requisitions that had previously processed successfully by the SoS. Direct communication with the requisitioning Component's financial office and possibly the SoS may be required to resolve the problem.

C7.*11*. <u>REVISION OF REQUISITION CONTENT</u>. Customers receiving a reply code indicating that their requisition is not authorized for further processing *will* be provided an opportunity to revise the

requisition content. For example, the customer may choose to reduce the extended dollar value by reducing the quantity ordered or correct the bill-to activity DoDAAC or fund code, as applicable. Subsequent to customer update, the Request for Verification Funds Availability *will* be re-transmitted.

C7.*12*. ALTERNATIVES FOR UNTIMELY APPLICATION INTERFACE. When the ordering application is unable to establish a timely interface with the responsible Component application, and the customer awaits the real-time funds availability reply, the ordering application may offer two alternatives:

C7.*12*.1. Unmonitored Funds Verification. The Verification of Funds Availability Request *will* be transmitted without direct feedback to the customer. The ordering application *or DLA Transaction Services, as applicable, will* re-send the request every 15-30 minutes for up to 3-hours[5] while the requisition is held in a pending status. If the reply is received indicating that the requisition is authorized for further processing, the requisition *will* be forwarded to the SoS with no further action.

C7.*12*.1.1. If the FV Reply Code indicates that the requisition is not approved for further processing, the Internet ordering application *will* retain the FV Reply Code for customer queries of requisition status. In addition,~~:~~

~~C7.11.1.1.1.~~ *i*f the requisition is rejected using FV Reply Code 1-~~3~~*8*, the ordering application ~~shall transmit the requisition to the SoS via DAAS, citing Supply Status CX and the Internet ordering application's Routing Identifier Code (GSA Internet ordering applications shall cite "GSA" and DoD EMALL shall cite "SME") in the DLMS requisition. DAAS shall recognize this as a trigger for preparation of supply status indicating rejection of the requisition. DAAS shall prepare and return to all applicable status recipients the MILSTRIP Supply Status perpetuating the CX status. The Internet ordering application shall be perpetuated by DAAS as the Routing Identifier Code (RIC) From of the Supply Status. DAAS shall not forward the requisition to the SoS~~ *will notify the customer directly using the customer's contact information and the requisition will not be forwarded*.

~~C7.11.1.1.2 If the requisition is rejected using FV Reply Code 4 (duplicate document number/suffix), the requisition will not be forwarded.~~

~~C7.11.1.1.3 If the requisition is rejected using FV Reply Code 5 (modifier/follow-up with miss-match on materiel identification), the requisition~~ *will* ~~not be forwarded.~~

C7. *12*.1.2. If no reply is received after repeated attempts *and three hours has lapsed*, the requisition *will not* be forwarded to the SoS ~~with no action~~.

C7. *12*.2. Hold for Later Processing. The customer may choose to place the order ("shopping cart") in a hold status, and retry later. The ordering application *will* not attempt to re-send the request. The order *will* be saved for later processing to be initiated by the customer.

C7.*13*. BATCH ACCEPTANCE. Where the ordering application accepts batch ordering or input via MILSTRIP/DLMS format (e.g., multiple transactions uploaded as a batch, or without real-time direct interaction between the application and the customer, such as via DoD EMALL Manual Order Entry System (MOES)), the ordering application *will* process the Verification of Funds Availability Request as described in paragraph C7.*12*.1. above using unmonitored funds verification procedures.

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[5] ~~Actual time window for repeated attempts to contact the financial application may vary by Internet application.~~

Enclosure 2, DLMS Data Element Revisions

Revise DLMS Volume 4, Finance, to update the Appendix 2 to publish the Funds Verification Reply Code. Renumber existing Appendix 11 as Appendix 12.

AP2. APPENDIX 2

CODES

AP2.11. APPENDIX 2.11

FUNDS VERIFICATION REPLY CODE

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alphanumeric

EXPLANATION: Identifies whether funds are available or if error precludes further processing.

Code	Description
	The following codes are acceptable for continued processing (alpha codes):
A	Funds available; continue processing.
B	No action; bill-to not applicable under component procedures; continue processing.
D	No action due third party bill-to; continue processing.
E	Funds available; duplicate message identification number; continue processing.
G	No action, other component bill-to; confirm correct information and obligation has been recorded. If correct/confirmed, continue processing.
H	No action on modifier/follow-up due to previously recorded obligation; continue processing.
	Funds Verification Rejection (numeric codes):
1	Order rejected due to lack of available funds for bill-to DoDAAC; do not process.
2	Order rejected due to unauthorized bill-to DoDAAC under Component procedures; do not process.
3	Invalid fund code; do not process.
4	Duplicate document number or document number suffix; do not process.
5	Modifier/follow-up with different materiel identification; do not process.
6	Supply class not authorized for this requisitioner under Component procedures; do not process.
7	CAGE code not recognized by Component system; do not process. If manually entered recheck input; if system-populated contact help desk.
8	Fund Code update not authorized (status of supply action precludes modification); do not process.

Enclosure 3, Transaction Format Revisions

Revise DLMS Volume 4, Finance to update the Appendix 3 list for administrative updates including removal of hyperlinks for individual DICs and to publish the Verification of Funds Availability Request (FV1) and Verification of Funds Availability Reply (FV2). Data and format updates under this ADC are shown in ***red bold italics*** or strike-through.

AP3. APPENDIX 3

~~RECORD~~ *MILSBILLS TRANSACTIONS*

The authoritative source for MILSBILLS legacy and DLMS transactions is the DLM 4000.25. All transactions are available at www.dla.mil/j-6/dlmso/elibrary/TransFormats/140_997.asp

MILSBILLS LEGACY FORMATS

DIC	TITLE
	(intervening text not shown – remove hyperlinks for all DICs)
FTP	Follow-up for Materiel Return Program Credit ~~www.dla.mil/j-6/dlmso/eLibrary/Manuals/DLM/v4/v4_FTP.docx~~
FU1, GU1 FU2, GU2	Progress Payment (Charge) Progress Payment (Recoupment) ~~www.dla.mil/j-6/dlmso/eLibrary/Manuals/DLM/v4/v4_FU1_FU2_GU1_GU2.docx~~
FW1, GW1 FW2, GW2	Cash Discounts (Charge) Cash Discounts (Credit) ~~www.dla.mil/j-6/dlmso/eLibrary/Manuals/DLM/v4/v4_FW1_FW2_GW1_GW2.docx~~
FX1, GX1 FX2, GX2	Trade, Quantity, and Other Allowances (Charge) Trade, Quantity, and Other Allowances (Credit) ~~www.dla.mil/j-6/dlmso/eLibrary/Manuals/DLM/v4/v4_FX1_FX2_GX1_GX2.docx~~
QB1	Request for Retransmission of Bill (Copy) ~~www.dla.mil/j-6/dlmso/eLibrary/Manuals/DLM/v4/v4_QB1.docx~~

VARIABLE LENGTH TRANSACTION FORMATS (NON-X12 BASED)

DIC	*TITLE*
FV1[1]	*Verification of Funds Availability Request*
FV2	*Verification of Funds Availability Reply*

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[1] No other use of the DIC FV1 is supported under MILSBILLS. DLA will phase out its current use associated with the DLA Troop Support supply chain. There is no impact on the funds verification process. Refer to ADC 1068.

DIC FV1 FORMAT
VERIFICATION OF FUNDS AVAILABILITY REQUEST

Transaction Format

Data Element	Data Type	Length	Required (Yes/No)	Notes	Character Restrictions
~~Message Type~~ *Document Identifier Code (DIC)*	a/n	3	Y	Unique ~~value comparable to Document Identifier Code~~ *DIC assigned to this transaction.*	FV1
Message Identification Number	a/n	20	Y	Unique control number for the ~~web call~~ *request*. Starts with E for DoD EMALL; G for GSA Global, and A for GSA Advantage. The rest of field will be an incremental number.	A-Z, 0-9
Requisition Document Number	a/n	14	Y	Must be a unique document number (or document number/suffix, where applicable) with no existing obligation.	A-Z, 0-9
Document Number Suffix	a/n	1	N	Applicable to referral orders only. Excludes alpha I, N, O, P, R, S, Y, and Z.	A-Z, 0-9
Requisitioner DoDAAC	a/n	6	Y	Service/Agency Code used to identify the responsible Service where Bill-to activity is not separately identified.[2]	A-Z, 0-9
Bill-to DoDAAC	a/n	6	N	Service/Agency Code used to identify responsible Service. Populate from the Supplemental Address when signal code is B or K.	A-Z, 0-9
Signal Code	alpha	1	N	When signal code is C or L, the third-party bill-to DoDAAC will not be available on-line. Note: Third-Party Bill-to DoDAAC is available from DLA Transaction Services table based upon the Fund Code and the document number Service/Agency Code.	A-D, J-M, W, X

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[2] Army business rules require the obligation to be established against an Army requisitioner DoDAAC when the bill-to activity is identified as another Component or is not available due to third party billing.

Data Element	Data Type	Length	Required (Yes/No)	Notes	Character Restrictions
Materiel ID (National Stock Number or Part Number)	a/n	32	Y	Must be 13 positions if qualifier indicates a NSN. *Part number may be assigned by the manufacturer or the supplier.*	A-Z, 0-9
Materiel ID Flag	alpha	1	Y	N or P indicating NSN or Part Number	N, P
Commercial and Government Entity (CAGE) Code	a/n	5	N	Identifies manufacturer *or supplier* when part number is used. *Required entry for non-NSN materiel.*	A-Z, 0-9
Quantity Ordered	numeric	5[3]	Y		0-9
Unit Price	R9.2	11	Y	Up to 11 positions will be transmitted as 9 digits dollars, decimal point, and 2 digits cents.[4]	0-9, decimal
Unit of Issue	a/n	2	N		A-Z, 0-9
Fiscal Year	numeric	4	Y	Format 'CCYY' - applicable to order submission date; used for proper processing of obligations at end of fiscal year where requisitions submitted during current and prior fiscal years may be recorded in the financial application	~~X,~~ 0-9
Fund Code[5]	a/n	2	N		A-Z, 0-9
Project Code	a/n	*3*	N		A-Z, 0-9
Source of Supply (SoS) Routing Identifier Code (RIC)	a/n	3	Y	Identifie*s* the SoS to which the requisition is forwarded for processing.	A-Z, 0-9
Requisition Modifier/ Follow-up Flag	*a*lpha	1	N	M or F indicating requisition modification or follow-up; not used on new requisitions.	M, F
Federal Supply Class (FSC)	*numeric*	*4*	*N*	*Identifies the FSC for part numbered items. Required entry for non-NSN materiel.*	*0-9*
Item description	*a/n*	*25*	*N*	*Provides text name/identification for part numbered items. Do not include special characters. Required entry for non-NSN materiel.*	*A-Z, 0-9*

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[3] Field length limited to legacy MILSTRIP functionality; expanded field length will be considered for future enhancement.
[4] Unit price field length is consistent with ADC 221, Communication of Unit Price and Total Price under DLMS.
[5] Army Regulatory Fund Code

DIC FV2 FORMAT

VERIFICATION OF FUNDS AVAILABILITY REPLY

Transaction Format

Data Element	Data Type	Length	Required (Yes/No)	Description	Character Restrictions
~~Message Type~~ ***Document Identifier Code (DIC)***	***a/n***	3	Y	Unique ~~value comparable to Document Identifier Code~~ ***DIC assigned to this transaction.***	FV2
Message Identification Number	a/n	20	Y	Response will use same number as initial ~~web-call~~ ***request***.	A-Z, 0-9
Funds Verification Reply Code	***a/n***	1	Y	Acceptable for Continued Processing (alpha codes): A – Funds available; continue processing. B – No action; bill-to not applicable under Component procedures; continue processing. ~~C - Funds available for requisitioner; third party bill-to; continue processing~~. D – No action due third party bill-to; continue processing. E – Funds available, duplicate message identification number; continue processing. ~~F - Funds available for requisitioner, other Component bill-to; continue processing~~. G – No action, other-Component bill-to; Confirm correct information and obligation has been recorded. If correct/confirmed, continue processing.	A, B, D, E, G, H, 1- 8

Data Element	Data Type	Length	Required (Yes/No)	Description	Character Restrictions
				H – No action on modifier/follow-up due to previously recorded obligation; continue processing. Funds Verification Rejection (numeric codes): 1 – Order rejected due to lack of available funds for bill-to DoDAAC; do not process. 2 – Order rejected due to unauthorized bill-to DoDAAC under Component procedures; do not process. 3 – Invalid Fund Code; do not process. 4 – Duplicate document number (or document number/suffix); do not process. 5 – Modifier/follow-up with different materiel identification; do not process. 6 – Supply class not authorized for this customer; do not process. 7 – CAGE code not recognized by Component system; do not process. If manually entered recheck input; if system-populated contact help desk. 8 – Fund Code update not authorized (status of supply action precludes modification); do not process.	

Enclosure 4, DLMS Transaction Format Revisions

1. Update each of the following transactions to add ADC 1068 to the DLMS Introductory Notes as follows:

- *ADC 1068, Enhanced Procedures for Requisitioning via DOD EMALL and GSA Internet Ordering: Component Verification of Funds Availability and Materiel Identification using the Supplier-Assigned Part Number and/or Supplier Commercial and Government Entity (CAGE) Code*

2. Update each of the following transactions to allow primary materiel identification using the manufacturer or supplier-assigned part number in conjunction with the manufacturer or supplier CAGE code when applicable to a DOD EMALL or GSA Advantage/Global internet order from a vendor catalog.

3. Identified revisions include minor administrative updates.

#	Location	DLMS 511M, Requisition Modification
1.	2/PO106/030	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/PO108/030	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use only with 2/PO1/030 PO106 code MG to *uniquely* identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 511R, Requisition
1.	2/PO106/030	**MG Manufacturer's Part Number** **DLMS Note:** 1. Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.* *3.* During the DLSS/DLMS transition, this field will be used to perpetuate/populate the MILS stock number field. During this time, field size is restricted to 15 positions; field size is expanded to 32 positions for DoD EMALL/part-numbered catalog orders ~~forwarded to DLA BSM~~. See introductory DLMS note 3d.
2.	2/PO108/030	**ZB Commercial and Government Entity (CAGE) Code** *DLMS Note: uniquely* *1.* Use only with PO106 code MG to *uniquely* identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 527D, Due-in/Advance Receipt /Due Verification
1.	2/LIN02/010	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*el*. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/LIN04/010	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use with LIN02 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 527R, Receipt and Materiel Receipt Acknowledgment
1.	2/LIN02/010	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*el*. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/LIN04/010	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use with LIN02 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 810L, Logistics Bill
1.	2/IT106/010	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*el*. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/IT108/010	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use only with IT106 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 812L, Logistics Bill Adjustment Request Reply
1.	2/LIN02/170	**Product/Service ID Qualifier** **DLMS Note:** 1. Use only one of codes A1, A2, A4, FB, FS, FT, MG, or YP to properly identify the materi*e*l requisitioned. 2. When citing a manufacturer's *(or supplier's)* part number (code MG), always use code ZB to identify the manufacturer's *(or supplier's)* Commercial and Government Entity (CAGE) Code. 3. When citing the Federal Supply Classification (FSC) (Code FT), always use code CN to identify the commodity name or description.
2.	2/LIN02/170	**MG Manufacturer's Part Number** **DLMS Note:** 1. Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.* 2. During the DLSS/DLMS transition, this field will be used to perpetuate/populate the MILS stock number field. During this time, field size is restricted to 15 positions; field size is expanded to 32 positions for DoD EMALL/part-numbered catalog orders.
3.	2/LIN04/170	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use only with code MG to *uniquely* identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 812R, Logistics Bill Adjustment Request
1.	2/LIN02/170	**Product/Service ID Qualifier** **DLMS Note:** 1. Use only one of codes A1, A2, A4, FB, FS, FT, MG, or YP to properly identify the materi*e*l requisitioned. 2. When citing a manufacturer's *(or supplier's)* part number (code MG), always use code ZB to identify the manufacturer's *(or supplier's)* Commercial and Government Entity (CAGE) Code. 3. When citing the Federal Supply Classification (FSC) (Code FT), always use code CN to identify the commodity name or description.
2.	2/LIN02/170	**MG Manufacturer's Part Number** **DLMS Note:** 1. Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.* *3.* During the DLSS/DLMS transition, this field will be used to perpetuate/populate the MILS stock number field. During this time, field size is restricted to 15 positions; field size is expanded to 32 positions for DoD EMALL/part-numbered catalog orders.
3.	2/LIN04/170	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use only with code MG to *uniquely* identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 842A/R, Standard Supply Discrepancy Report (SDR) Reply
1.	2/LIN02/0200	(Move Federal Note to DLMS Note level as shown.) **Product/Service ID Qualifier** **DLMS Note:** *Use for materiel identification. Use multiple Product/Service ID pairs as needed.* ~~Material Identification on the SDR reply is not required. May be used to relate disposition to a specific item where multiple NSNs/part numbers were reported on a single SDR.~~ **MG Manufacturer's Part Number** **DLMS Note:** 1. Use to identify the part number for the item. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. When used for supplier part number, identify the associated CAGE at 2/LIN04. Refer to ADC 1068.* *3.* For MG: WebSDR field length = 32
2.	2/LIN04/0200	(Move Federal Note to DLMS Note level as shown.) **Product/Service ID Qualifier** **DLMS Note:** *Use to further identify an item. Use multiple Product/Service ID pairs as needed.* The sequence of data content for secondary materiel identification is dependent upon the applicable primary materiel identification. The *p*referred sequence of secondary information is: *manufacturer's (or supplier's)* part number; manufacturer's *(or supplier's)* CAGE *code*; nomenclature. However, part number, manufacturer's CAGE *code*, and nomenclature may be cited in any order without causing transaction failure.
3.	2/LIN04/0200	**ZB Commercial and Government Entity (CAGE) Code** *DLMS Note:* *1.* Use to identify manufacturer *(or supplier)* associated with a previously identified part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*
4.	2/LIN06/0200	**Product/Service ID Qualifier** **DLMS Note:** *Use to further identify an item. Use multiple Product/Service ID pairs as needed.* ~~The sequence of data content for secondary materiel identification is dependent upon the applicable primary materiel identification. The referred sequence of secondary information is: part number; manufacturer's CAGE; nomenclature. However, part number, manufacturer's CAGE, and nomenclature may be cited in any order without causing transaction failure.~~
5.	2/LIN08/0200	**Product/Service ID Qualifier** **DLMS Note:** *Use to further identify an item. Use multiple Product/Service ID pairs as needed.* ~~Use of LIN08 is optional. The sequence of data content for secondary materiel identification is dependent upon the applicable primary materiel identification. The referred sequence of secondary information is: part number; manufacturer's CAGE; nomenclature. However, part number, manufacturer's CAGE, and nomenclature may be cited in any order without causing transaction failure.~~

#	Location	DLMS 842A/W, Standard SDR, Follow-up, Correction, Cancellation, & Reconsideration Request
1.	2/LIN02/0200	**Product/Service ID Qualifier** **MG Manufacturer's Part Number** **DLMS Note:** 1. Use to identify the part number for the item. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. When used for supplier part number, identify the associated CAGE at 2/LIN04. Refer to ADC 1068.* *3.* For MG: WebSDR field length = 32
2.	2/LIN04/0200	(Move Federal Note to DLMS Note level as shown.) **Product/Service ID Qualifier** **DLMS Note:** *Use for materiel identification. Use multiple Product/Service ID pairs as needed.* The sequence of data content for secondary materiel identification is dependent upon the applicable primary materiel identification. The preferred sequence of secondary information is: *manufacturer's (or supplier's)* part number; manufacturer's *(or supplier's)* CAGE; nomenclature. However, part number, manufacturer's CAGE, and nomenclature may be cited in any order without causing transaction failure.
3.	2/LIN04/0200	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use to identify manufacturer *(or supplier)* associated with a previously identified part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*
4.	2/LIN06/0200	**Product/Service ID Qualifier** **DLMS Note:** *Use to further identify an item. Use multiple Product/Service ID pairs as needed.* ~~The sequence of data content for secondary materiel identification is dependent upon the applicable primary materiel identification. The referred sequence of secondary information is: part number; manufacturer's CAGE; nomenclature. However, part number, manufacturer's CAGE, and nomenclature may be cited in any order without causing transaction failure.~~
5.	2/LIN08/0200	**Product/Service ID Qualifier** **DLMS Note:** *Use to further identify an item. Use multiple Product/Service ID pairs as needed.* ~~The sequence of data content for secondary materiel identification is dependent upon the applicable primary materiel identification. The referred sequence of secondary information is: part number; manufacturer's CAGE; nomenclature. However, part number, manufacturer's CAGE, and nomenclature may be cited in any order without causing transaction failure.~~

#	Location	DLMS 856S, Shipment Status
1.	2/LIN02/0200	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*

#	Location	DLMS 856S, Shipment Status
2.	2/LIN04/0200	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use with LIN02 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 869A, Requisition Inquiry/Supply Assistance Request
1.	2/LIN02/050	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/LIN04/050	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use with LIN02 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 869C, Requisition Cancellation
1.	2/LIN02/050	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materi*e*l. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/LIN04/050	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use with LIN02 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 869F, Requisition Follow-Up
1.	2/REF01/105	**MF Manufacturers Part Number** **DLMS Note:** 1. Use in 2/HL/010 transaction loops to identify nonstandard materi*e*l. Use code W7 in REF04 to identify the CAGE code ~~of the manufacturer~~. *2. May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*
2.	2/REF04-01/105	**W7 Commercial and Government Entity (CAGE) Code** *DLMS Note:* *1.* Use with REF01 code MF to uniquely identify a manufacturer's *(or supplier's)* part number. *2. May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.*

#	Location	DLMS 870S, Supply Status
1.	2/PO106/150	**MG Manufacturer's Part Number** **DLMS Note:** *1.* Use to identify nonstandard materiel. *2.* ***May be used to identify the supplier-assigned part number when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog. Refer to ADC 1068.*** *3.* During DLSS/DLMS transition this field will be used to perpetuate/populate the MILS stock number field. During this time, field length is restricted to 15 positions; field size is expanded to 32 positions for DoD EMALL/part-numbered catalog orders ~~forwarded to DLA BSM~~.
2.	2/PO108/150	**ZB Commercial and Government Entity (CAGE) Code** **DLMS Note:** *1.* Use with PO106 code MG to uniquely identify a manufacturer's *(or supplier's)* part number. *2.* ***May be used to identify the supplier CAGE when applicable to a DoD EMALL or GSA Advantage/Global internet order from a vendor catalog.***

Enclosure 5, Comment Resolution

		PDC 1068 Comments	
	Submitter	**Response**	**Resolution**
1.	USTRANSCOM	Abstains.	Noted.
2.	DLA	Concur. The DLA Troop Support Construction & Equipment (C&E) supply chain does about $1.7 Billion in Prime Vendor (non-NSN) sales. To ensure their obligations get posted for their orders, C&E's customers overwhelmingly use MIPRs to order, and C&E receives about $1.1 billion a year on about 3,000 MIPRs from various Military customers. C&E wants to enhance audit readiness and would prefer this business come into us under MILSTRIP. C&E has been working with EMALL on a functional spec to move the ordering process for all of its Prime Vendor programs into EMALL. Implementation is probably 1-2 years from now....The attached PDC is a huge boost to enabling C&E to get out of the MIPR business, move to MILSTRIP and become more Audit Ready. The Army and Marines will be able to order against a document number and be sure that the obligation posts in their system so they will no longer have to submit MIPRs. We need this functionality to include the Navy and the Air Force...can we make that happen?	Noted DLA C & E comments provided to Navy and Air Force for consideration.
3.	Marine Corps	Concur as written. The following comments are provided in response to the staffing notes in the reference. a. No problems have been identified with CAGE/Part Numbers assigned to a supplier vice manufacturer. The requisitions affected would be for immediate consumption, thereby eliminating the need for cataloging and inventory maintenance. b. No additional transaction formats have been identified, beyond those listed in paragraph 4.d. (4) of the reference, that would require a note to clarify that the part number and/or CAGE may identify the supplier information (vice manufacturer) c. The PDC 1068 contained a staffing note stating: "The Marine Corps will further research this aspect for confirmation prior to issuance of an approved change. If required, a DoDAAC look-up will be incorporated for separation of routing between SABRS and the Defense Industrial Financial Management System (DFIMS)." In response the Marine Corps	Noted.

	Submitter	Response	Resolution
		stated: "No requirement has been identified to pre-validate the DODAAC before sending the transaction to SABRES."	
4.	Air Force	The Air Force concurs with the PDC as written and reiterates that this will have no impact to the Air Force financial systems. CAGE cataloging should not be removed as it is necessary to properly identify required material.	Noted.
5.	Army	Concur.	Noted. Army participation during drafting of the PDC was essential to documenting the expanded business process. Army feedback provided during this development of this change has been incorporated.
6.	Navy	Concur with comment. Navy does not have any concern with the Army and Marine procedures described in the PDC 1068 for funds verification. We also can see the benefits that could be seen through the execution of these processes. However, Navy is not a position to implement any parts of this PDC. Our IT systems (including Navy ERP) do not perform the automated funds verification processes described in ADC 328 or this subsequent PDC and would not be able to handle the exchange of FV1/FV2 transaction with other IT systems. I do not foresee that implementation could be scheduled for many years as it would require a great deal of resources to execute the large amount of changes that would be necessary to perform the automated funds verification process. I also received concern from Navy ERP that information in the FV1 alone would not be enough to establish the obligation in Navy ERP. We have 2 different mechanisms within Navy ERP to represent the financial information - Projects or Funds Reservations. Each of these has a many to one relationship to a Fund Code. In other words many projects within NAVSEA will use the same Fund Code, or many Funds/Fund Center combinations in NAVAIR will use the same Fund Code. So getting a transaction back from the on-line ordering system	Noted.

	PDC 1068 Comments	
Submitter	**Response**	**Resolution**
	with a Fund Code may not provide enough information in the financial system for them to properly account for the funds and post the obligation. The feedback I received indicated that the only ways to do that would be either to send all of the SFIS elements or the bottom level of the Project or Fund structure within Navy ERP.

There was also concern with how this process would work with the internal controls that are in place within Navy ERP. Just because funds are available and could be obligated that does not mean that they should be obligated. There is currently a workflow process within Navy ERP to gain the appropriate the approval for the obligation of funds. Originally Navy ERP had designed a process with E-Mall to have the buyers start the buying process inside Navy ERP - setting up all of the financial data for the requisition. Then the buyer would interface into E-Mall and fill up their shopping cart. When they were done - the interface would bring the shopping cart back to Navy ERP and finish filling out the requisition - which would then be saved. At that time it would go through the workflow process to ensure that everyone approved it. Once approved the approval would be interfaced back to E-Mall - which would then release the shopping cart and procure the items that had been approved. Unfortunately, Navy ERP did not have enough funds available to develop this interface. I can't say that we would have the funds available now or for a very long time, however, this process would work much better for ensuring that both financial and internal controls were met. I've attached a diagram of that flow to this email.

In looking into this PDC, we did look at the One Touch Supply application which is an internet ordering application. I realized that this application was not really compliant even with the parameters described in ADC 328 for manual establishment of the obligation. It is, of course, Navy policy that all end users of this application should execute manual procedures to establish an obligation prior to executing orders in this application. However, there is currently nothing within OTS which reinforces this requirement. I met with the OTS team and they agreed that within the next year that they would implement a change to the application so that when an individual builds a requisition a pop-up message is generated which warns them that they are required to comply with the necessary manual procedures to establish the obligation. It is at very least a baby | EMALL/GSA compliance with Standard Financial Information Structure (SFIS) data requirements will be addressed as a separate effort; additional DLMS changes may be required.
The requirement for a pop-up warning message where a systemic interface is not available to satisfy funds verification is required under DLMS procedures. The DLM 400.25, Volume 4 states:

"C2.1.7.1 DoD Components may authorize manual recording of the financial obligation by the customer as a separate action until such time as an automated interface between the ordering application and a Component-sponsored financial system is available. Where an interface is not available, external ordering applications shall alert users to comply with their Component-directed financial procedures." |

		PDC 1068 Comments	
	Submitter	**Response**	**Resolution**
		step in the right direction.	
7.	DLA Logistics Management Standards Office, Finance PRC Chair	During the staffing of PDC 1068, it was determined that DLA is currently using Document Identifiers (DICs) FV1/GV1 and FV2/GV2 for Summarized Billing of Fresh Fruits and Vegetables (FF&V) in support of Defense Commissary Agency in lieu of detailed line item billing. This Summarized Billing process for FF&V had been previously ended and the DICs removed from MILSBILLS in 2007. However, an undocumented alternative use of the DICs was reinstated. DLA has determined that this Summarized Billing for FF&V is not needed has initiated a system change request (SCR) to change Enterprise Business System billing logic to use FA_ and FB_ DICs. This SCR has audit readiness implications and has been prioritized for near term implementation. There is no risk of transaction failure pending implementation of the SCR as the business processes do not overlap. DLA will apprise Defense Logistics Management Office of SCR progress and completion.	Noted.

Enclosure 3 has been updated with a footnote acknowledging that the unauthorized use of the old FF&V formats is being phased out and does not interfere with the Funds Verification transactions. |