



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VIRGINIA 22060-6221

May 29, 2014

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management Standards (DLMS) Change (ADC) 1096, Deviation from Mandatory Use of the Issue Release/Receipt Document (IRRD) (DD Form 1348-1A or DD Form 1348-2) for DLA Disposition Services Transfer of Property on a Commercial Venture (CV) Contractor Delivery Order (Supply/MILSTRIP)

The attached change to DLM 4000.25, Defense Logistics Management System, is approved for implementation effective upon ADC publication.

Supply PRC representatives may direct questions to Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676 or DSN 427-0676, email: ellen.hilert@dla.mil; or Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111, e-mail: heidi.daverede@dla.mil. Others must contact their designated representative shown at www.dla.mil/j-6/dlmso/CertAccess/SvcPointsPOC/allpoc.asp (DOD common access card restricted).

A handwritten signature in black ink, appearing to read "Donald C. Pipp", is positioned above the printed name.

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD (SCI)

ADC 1096
**Deviation from Mandatory Use of the Issue Release/
Receipt Document (IRRD) (DD Form 1348-1A or DD Form 1348-2) for DLA
Disposition Services Transfer of Property on a Commercial Venture (CV)
Contractor Delivery Order**

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:

- a. **Technical POC**: DLA Defense Logistics Information Service 269-961-5227
- b. **Functional POC**: DLA Disposition Services 269-961-4140

2. FUNCTIONAL AREA:

- a. **Primary/Secondary Functional Area**: Supply/Logistics
- b. **Primary/Secondary Functional Process**: Physical Inventory Control

3. REFERENCES:

- a. [DLM 4000.25-1, Military Standard Requisitioning and Issue Procedures \(MILSTRIP\)](#), Chapter 5, Table C5.T1. Distribution of DD Form 1348-1A (or DD Form 1348-2), Issue Release/Receipt Document (IRRD), and Continuation Page to all Consignees other than DLA Disposition Services and Security Assistance
- b. [DLM 4000.25](#), Defense Logistics Management System, Chapter 16

4. REQUESTED CHANGE(S):

a. **Brief Overview of Change**: This change requests the option for DLA Disposition Services sites to utilize the Commercial Venture (CV) Workload Location List (WLL) in lieu of an IRRD. The WLL is a report generated at the DLA Disposition Services Field Offices and is used to transfer ownership of materiel from DLA Disposition Services to the CV contractor. Materiel is physically picked up by the CV contractor (e.g., Government Liquidators) in lieu of shipping the materiel. There can be numerous document numbers on the WLL consolidated under the CV delivery order number generated by the DLA Enterprise Business System (EBS) once sourcing is finalized and sent to the Distribution Standard System (DSS). An option to suppress printing of the DD 1348-1A will be used on CV items only and will prevent printing numerous superfluous IRRDs corresponding to each CV WLL.

b. **Background**:

(1) The DLA Disposition Services is a worldwide presence within the Department of Defense, with disposal specialists in 14 foreign countries, two U.S. territories, and 39 states. DLA Disposition Services' mission is the execution of disposition solutions for excess military property. The Reutilization Business Integration (RBI) project replaced the Disposal Automated Information System (DAISY) by integrating DLA Disposition Services business

processes within the DLA enterprise suite of applications, including the EBS for materiel management functions and the DSS for warehousing/distribution functions.

(2) CV contracts include specific national item identification numbers (NIINs) that have failed any Reutilization, Transfer, or Donation (RTD) screening cycle and meet the criteria for a CV contract. CV contractors obtain the assets associated with the CV delivery order by picking them up at the field site. Personnel at the field office site create the WLL using the CV delivery order. The CV WLL is a printed listing that identifies all document numbers associated with the CV delivery order including the NIIN and quantity of each item awarded under the CV delivery order for pickup. The contractor uses the WLL to validate items and quantities, and then signs the WLL to transfer ownership of the property from the Government to the contractor.

(3) The current MILSTRIP regulatory requirement outlined in DLM 4000.25-1 Chapter 5 states, "The DD Form 1348-1A (or DD Form 1348-2) is MANDATORY for all shipments to DoD customers, including foreign military sales (FMS) and contractors, from DOD and General Services Administration (GSA) shipping activities." Therefore, in addition to printing the CV WLL, a DD Form 1348 are printed for each document number associated with CV shipments even though they are not utilized for signature or transfer of ownership, and there is no physical shipment of the materiel by the Government. This incurs unnecessary printing costs as additional computer resources are required to send the data to the print queue as well as usage of countless reams of paper and toner cartridges.

c. Describe Requested Change in Detail: When processing a CV WLL, DLA Disposition Services requests an exception to the current rule making it mandatory that an IRRD be printed for each document number each time the CV WLL is printed. This exception will bypass the requirement to print the IRRD in favor of using the CV WLL as the official document to pass ownership of Disposition Services DSS property from the accountable record to the CV contractor.

d. Revisions to DLM 4000.25 Manuals:

(1) Revise DLM 4000.25-1, Military Standard Requisitioning and Issue Procedures (MILSTRIP), Chapter 5, as follows:

"C5.1.1. The Issue Release/Receipt Document, [DD Form 1348-1A](#) (or DD Form 1348-2 with attached shipping label), and continuation page are prepared by the supply/ shipping activity. These documents are used for selecting, packing, shipping, and receiving materiel. They are also used as a receipt transaction and/or to provide a means to automate the capture of data using automatic identification technology (AIT) devices. The DD Form 1348-1A (or [DD Form 1348-2](#)) is mandatory for all shipments to DoD customers, including foreign military sales (FMS) and contractors, from DoD and General Services Administration (GSA) shipping activities, ***except as noted in paragraph C5.3***. Additionally, the continuation page is a mandatory document to assist the processing of serialized items (see Appendix AP1.36).

(Intervening paragraphs not shown)

C5.3 ISSUES FROM SUPPLY SYSTEM STOCK OR FROM DLA DISPOSITION SERVICES FIELD OFFICES; REQUISITIONS FOR LOCAL ISSUE FROM DLA DISPOSITION SERVICES FIELD OFFICES

C5.3.1. The DD Form 1348-1A (or DD Form 1348-2) will be prepared as a release document by the shipping activity (issues from supply system stock) or by the shipping DLA Disposition Services Field Office (DLA Disposition Services-directed issues from the local DLA Disposition Services Field Office). The requisitioner may also use this format when hand carrying requisitions for local issue from DLA Disposition Services Field Office. Minimum data entries are outlined in Appendix 3.48 for the DD Form 1348-1A (or DD Form 1348-2).

C5.3.2. To accommodate the various distribution systems and equipment, DD Form 1348-1A (or DD Form 1348-2) provides blocks for data entry. With the exception of Blocks 9, and 15, use of these blocks is optional, but when used, will contain information shown in Appendix 3.48.

C5.3.4. The continuation page will accompany the DD Form 1348-1A (or DD Form 1348-2) and must be attached to the material and shipment IAW MIL-STD-129 shipping document requirements for all shipments of two or more items which are tracked under a UIT program or in support of DoD policy of the application of IUID in supply business process. Minimum data entries are outlined in Appendix 1.36.

C5.3.5. By exception, when DLA Disposition Services property is sold to a Commercial Venture contractor, the DLA Disposition Services Field Office has the option to suppress printing of the DD Form 1348-1A. When no IRRD is prepared, DLA Disposition Services will utilize the Workload Location List in lieu of the IRRD as the document transferring ownership from the Government to the contractor. The Workload Location List will identify all document numbers associated with the Commercial Venture delivery order, materiel identification by NIIN, and applicable quantities. A copy of the Workload Location List will be retained by the field office.

(2) Revise DLM 4000.25 Volume 2, Chapter 16, Disposition Services, to add the following additional statements at the end of the paragraph.

“C16.1.4.6. Generation of ***Issue Release/Receipt Document (IRRD)*** (DD Form 1348-1A/1348-2) for Issues of DLA Disposition Services Owned Property by the DLA Disposition Services Field Office Subsequent to Receipt of the DLMS 940R, Materiel Release Order (Transaction Type Code NA). Shipments of DLA Disposition Services owned property will follow all instructions regarding the data requirement(s) contained in DLM 4000.25-1 MILSTRIP, Chapter 5, Release and Receipt of Materiel, relative to the DD Form 1348-1A/1348-2 (and the continuation sheet, if required) including those instructions relative to items requiring serial number tracking and/or tracking under DoD Item Unique Identification (IUID) business rules (inclusive of barcodes). ***By exception, when materiel is sold to a CV contractor, the storage site has the option to suppress printing of the DD Form 1348-1A. When no IRRD is prepared, DLA Disposition Services will utilize the Workload Location List in lieu of the IRRD as the document transferring ownership from the Government to the CV contractor. The***

Workload Location List will identify all document numbers associated with the CV delivery order, materiel identification by NIIN, and applicable quantities. A copy of the Workload Location List will be retained by the field office. The CV contractor is responsible for picking up the property at the storage site.”

e. **Transaction Flow:** No change required in transaction flow.

f. **Alternatives:** No alternatives are identified.

g. **Proposed DLMS Change (PDC) 1096 Staffing Response/Comment Resolution:**

| | Originator | Response/Comment | Disposition |
|----|-------------------|-------------------------|--------------------|
| 1. | DLA | Concur with comment. | Noted. |
| 2. | Air Force | Concur without comment. | Noted. |
| 3. | Army | Concur as written. | Noted. |
| 4. | Navy | No response. | |
| 5. | Marine Corps | Concur as written. | Noted. |
| 6. | USTRANSCOM | Abstain. | Noted. |

5. REASON FOR CHANGE: This change is requested because the CV contractor is a commercial entity with no expectation for an IRRD and the DLA Disposition Services CV contract has no requirement for the U.S. Government to provide the DD 1348-1As. Instead, a WLL is prepared to transfer materiel and transfer ownership to the CV contractor. Weekly CV delivery orders contain approximately 3000 line items per week at DLA Disposition Services sites worldwide, and it would be a substantial savings in avoiding the tracking and saving or destroying of a document that is not utilized.

6. ADVANTAGES AND DISADVANTAGES:

a. **Advantages:** Implementation of this change will allow the WLL to be used as the official document to pass property to the CV contractor, as well as producing monetary value savings by not printing IRRDs which are not used.

b. **Disadvantages:** None identified.

7. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: This change will be effective upon approval. Programming lead time is not known.

8. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: DLA Disposition Services uses the WLL as the legal document to transfer ownership/title of record for Government property from storage sites to the CV contractor for CV items only. One WLL can contain multiple document numbers. Utilizing and printing the DD Form 1348 for each line item on the WLL is currently mandatory

even though materiel is picked up by the CV contractor. Providing the capability to not print the DD Form 1348 will produce substantial savings in computer resources, paper, and toner cartridges. Cost benefit to give the option to not print, instead of the current default to print, could save over \$100,000 a year in labor hours, printing supplies, and replacement of printing equipment due to excessively high usage.

9. IMPACT:

- a. **New DLMS Data Elements:** None.
- b. **Changes to DLMS Data Elements:** None.
- c. **Automated Information Systems (AIS):** DSS update required to provide option to suppress printing of the IRRD when printing a WLL for a shipment to be picked up by the CV contractor.
- d. **DLA Transaction Services:** None.
- e. **Non-DLA Logistics Management Standards Publications:** Internal DLA Disposition Services guidance must be updated.