



DEFENSE LOGISTICS AGENCY  
HEADQUARTERS  
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IN REPLY  
REFER TO

July 16, 2014

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS  
CONTRACT ADMINISTRATION PRC MEMBERS  
FINANCE PRC MEMBERS

SUBJECT: Administrative Approved Defense Logistics Management Standards (DLMS) Standards (ADC) 1140, Administrative Revision to Federal Implementation Convention (IC) 856 Ship Notice/Manifest to Add Item Unique Identification (IUID) Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252 211-7003 Compliance Check (Supply/Contract Administration)

The attached administrative change to DLM 4000.25, Defense Logistics Management System, is approved for implementation. The Wide Area Workflow (WAWF) Program Office is planning to deploy this change in WAWF Release 5.7, targeted for April 2015.

Addressees may direct questions to the DLMSO points of contact: Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676, DSN 427-0676, or e-mail: [Ellen.Hilert@dla.mil](mailto:Ellen.Hilert@dla.mil), or Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111 or e-mail: [Heidi.Daverede@dla.mil](mailto:Heidi.Daverede@dla.mil). Others must contact their Component designated representative

DONALD C. PIPP  
Director  
Defense Logistics Management  
Standards Office

Attachment  
As stated

cc:  
ODASD (SCI)  
ODASD DPAP (PDI)  
WAWF PMO



**ADC 1140**  
**Administrative Revision to Federal Implementation Convention (IC) 856**  
**Ship Notice/Manifest to Add Item Unique Identification (IUID) Defense**  
**Federal Acquisition Regulation Supplement (DFARS) Clause 252 211-**  
**7003 Compliance Check**

**1. ORIGINATOR:**

- a. **Submitting Service/Agency:** Defense Procurement and Acquisition Policy (DPAP)
- b. **Functional POC:** DPAP
- c. **Technical POC:** Wide Area Workflow (WAWF) PMO

**2. FUNCTIONAL AREAS:**

- a. **Primary:** Contract Administration and WAWF Receiving Report (RR).
- b. **Secondary:** Functionality will enable improved marking, reporting and tracking of items requiring IUID marking under terms of the contract.

**3. REFERENCES:**

- a. WAWF Engineering Change Proposals (ECP) 0790 Verification of IUID Compliance.
- b. DLM 4000.25, Volume 7, Contract Administration, Chapter 2, Shipment Notification
- c. DOD Instruction 8320.04, Item Unique Identification (IUID) Standards for Tangible Personal Property (Draft)

**4. APPROVED CHANGE(S):**

a. **Brief Overview of Change:** This change will add the functionality to WAWF to ensure compliance with DFARS requirements for IUID that must be satisfied before the WAWF Receiving Report (RR) can be created either via direct web input or Electronic Data Interchange (EDI). The WAWF RR is mapped to the commercial standard (Accredited Standards Committee (ASC) X12) 856 Ship Notice/Manifest to provide functionality as an electronic data source for shipment information.

b. **Background:**

(1) The WAWF is a DoD mandated system that allows the vendor to electronically submit receiving reports and invoices, and the Government to inspect, receive, accept information and pay electronically.

(2) Currently, the WAWF Vendor Receiving Report (RR) document can be created without populating the IUID information. The IUID information should be populated when DFARS Clause 252.211-7003 is in the contract and either the line item unit acquisition cost (UAC) is greater than or equal to \$5000 or there is an indicator on the line item that is < \$5000 UAC that IUID is required. When the IUID information is not populated when it should be, the contractor is not in compliance with the contract, and UIIs are underreported for the contract.

**c. Proposed Change in Detail:**

(1) Vendors are required to enter IUID information when:

(a) The document is an RR and the line item unit acquisition cost (Unit Price) is greater than or equal to \$5000.00 and there is no IUID exemption reflected.

**Staffing note:** DPAP and WAWF PMO are coordinating with DLA Logistics Information Service's Federal Logistics Information System (FLIS) to ensure that the \$5000.00 criteria is consistent with the FLIS IUID Indicator settings for National Stock Numbered items per the guidance agreed upon by the DOD Components in the draft DODI 8320.04 (See Reference 3.c.).

(b) The document is an RR and the line item unit acquisition cost (Unit Price) is less than \$5000.00 and the contract data reflects that IUID is required for the line item.

(2) The IUID exemption is dependent on entry by the contractor/vendor and based upon an exemption in the contract under DFARS 252.211-7003 (c) (1) (i). The exemption entry in the contract is presumed to be text and therefore cannot be pre-populated by WAWF from EDA. It must be entered by the contractor/vendor.

(3) Revise WAWF processing and the 856 Ship Notice/Manifest Federal Implementation Convention (IC) to incorporate the ability for vendors to identify whether or not there is an exemption to the DFARS IUID clause. If there is no exemption the "UID Tab"/UID loop must be populated with applicable IUID data content.

(4) Update data fields for 856 X12 transactions inbound to WAWF:

(a) In the 2/REF/150 segment, of the HL03 = I (Item) loop, vendors will cite the qualifier DF (Defense Federal Acquisition Regulation), followed by "252.211-7003" in the REF02. In the REF03, the vendor will indicate whether or not an exemption to the DFARS clause applies by citing either "EXEMPT" or "NON-EXEMPT".

(b) If the vendor cites "NON-EXEMPT", then the UID loop (HL03=D) is mandatory and all applicable IUID data content must be included in the RR.

(5) If WAWF identifies an error due to the fact that the vendor either did not submit the mandatory UID loop or did not submit the exempt indicator when UID is required, WAWF will reject the EDI transaction with an error and the Receiving Report will not be entered into WAWF.

(6) If the EDI transaction was rejected by WAWF due to a missing UID loop, the vendor should resubmit the transaction and include either the required UID loop or the REF segment to indicate exemption.

d. **Proposed Transaction Flow:** This change does not impact existing transaction flow.

e. **Revisions to DLM 4000.25 Manuals:** There are no changes to DLMS procedures and transactions, since this information will NOT be extracted from WAWF to downstream DOD Component systems.

f. **Alternatives:** None identified.

**5. REASON FOR CHANGE:** These changes are needed to ensure Contractor compliance with the contract, and that UIIs are not underreported for the contract.

## **6. ADVANTAGES AND DISADVANTAGES:**

a. **Advantages:** The following advantages are identified:

(1) Ensure that vendors complete the “UID Tab”/UID Loop.

(2) Data capture UIIs by the IUID Registry are in compliance with contract requirements.

b. **Disadvantages:** None identified

**7. ADDITIONAL FUNCTIONAL REQUIREMENTS:** Comparable changes must be made to the WAWF 857 Shipment and Billing Notice transaction. This transaction is used by vendors reporting to WAWF as a combination of shipping and billing information in a single transaction; it is not used with DOD trading partners (WAWF separates content into 856 Ship Notice/Manifest and 810 Invoice for DOD processing).

**8. ESTIMATED TIME LINE/IMPLEMENTATION TARGET:** The WAWF 5.7 Release will be deployed in April 2015.

## **9. IMPACT:**

a. **DLMS Data Elements:** There are no new DLMS data elements or changes to existing data elements, since changes are only being made to the Federal IC. The changes will not be extracted to the DLMS 856.

b. **Wide Area Workflow:** WAWF will be updated to accommodate new data and business rules via direct web input or transaction. WAWF will be updated to process the Federal IC changes to the 856 and 857.

c. **Component Automated Information System (AIS):** No impact to Component Systems. WAWF will not extract the UID exemption indicator to downstream systems.

d. **DLA Transaction Services**: The Global Exchange (GEX) must be updated to accommodate the additional data. Vendor transactions will continue to be routed through GEX and WAWF-RA channels for translation and transfer to WAWF

e. **Non-DLA Logistics Management Standards Publications**: The WAWF Program Management Office will update the WAWF Guides for 856 and 857 to reflect the changes identified by this DLMS Change.

**Enclosure**

Item #	Location	856 Ship Notice/Manifest Federal IC Revision	Reason
1.	2/REF/150	<p><u>Revise segment level note 2:</u></p> <p>2. Use in the 2/HL/010 line item loops to identify, if applicable, the transaction number (i.e., the requisition number), and also, if applicable, the requisition number suffix, and other suffix, and other controlling numbers. <b><i>Also identify the DFARS IUID clause and whether or not item is exempt from IUID reporting requirements; if not exempt, then the UID loop (HL03=D) may be mandatory based on contract requirements.</i></b></p>	Include business rules for determining UID compliance based on the DFARS IUID clause.
2.	<p>2/REF01/150 (Used in HL03=I, Line Item Loop)</p> <p>Data Element 128, Reference Identification Qualifier</p>	<p><u>Add new code DF and associated note:</u></p> <p><b><i>DF Defense Federal Acquisition Regulation</i></b></p> <p><b><i>Use in the Line Item Loop (HL03=I) to identify the DFARS IUID clause and whether or not there is an exemption to it. If DF is entered in the REF01, enter the DFARS clause number “252.211-7003” in the REF02. In the REF03, indicate if an exemption applies.</i></b></p>	Identify requirement to identify the DFARS IUID clause if applicable.
3.	<p>2/REF03/150 (Used in HL03=I, Line Item Loop)</p> <p>Data Element 128, Reference Identification Qualifier</p>	<p><u>Add note 4:</u></p> <p><b><i>4. Use to indicate either “EXEMPT” or “NON-EXEMPT” when REF01=DF and REF02=252.211-7003.</i></b></p>	Identify if an exemption to IUID applies.