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October 14, 2015

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management Standards (DLMS) Change (ADC) 1173, Accommodate Foreign Military Sales (FMS) Related Transaction Sets from Naval Air Technical Data and Engineering Service Center (NATEC) to Security Cooperation Enterprise Solution (SCES) (Supply)

    The attached change to Defense Logistics Manual (DLM) 4000.25, Defense Logistics Management Standards is approved. Desired implementation: SCES Full Deployment Decision (FDD), estimated for October 2015.

    Addressees may direct questions to Ms. Ellen Hilert, DOD MILSTRIP Administrator, 703-767-0676 or DSN 427-0676, e-mail: ellen.hilert@dla.mil, or Ms. Heidi Daverede, DOD MILSTRIP Alternate, 703-767-5111; DSN 427-5111, e-mail: heidi.daverede@dla.mil. Others may contact their Component designated Supply PRC representative available at: https://www2.dla.mil/j-6/dlmso/CertAccess/SvcPointsPOC/allpoc.asp.

                                        DONALD C. PIPP
                                        Director
                                        Defense Logistics Management
                                        Standards Office

Attachment
As stated

cc:
ODASD (SCI)

ADC 1173

Accommodate Foreign Military Sales (FMS) Related Transaction Sets from Naval Air Technical Data and Engineering Service Center (NATEC) to Security Cooperation Enterprise Solution (SCES)

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Naval Air (NAVAIR) Systems Command, Naval Air Technical Data and Engineering Service Center (NATEC).

    a. Technical POC:

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    b. Functional POC:

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2. FUNCTIONAL AREA:

    a. Primary/Secondary Functional Area: Supply (Security Assistance)

    b. Primary/Secondary Functional Process: Requisition, Supply Status, Shipment Status

3. REFERENCE: DLM 4000.25, Defense Logistics Management Standards (DLMS), Volume 2, Supply Standards and Procedures, Chapter 4, Requisitioning.

4. APPROVED CHANGE(S): Significant changes are highlighted in GREEN.

    a. Brief Overview of Change: This DLMS change serves as documentation of the revised flow for transactions associated with Navy publications (Cognizance Code (COG) 6I) from NATEC to SCES for the Navy Increment 1 target state. NATEC desires to send requisitions and supply status transactions through Transaction Services to the SCES. The NATEC information exchanges flow only one way and are initiated by FMS logistics element managers (LEM) using the FMS Module of the Technical Manual Application System (TMAPS) on the NATEC Website.

b. **Background:**

(1) SCES is a Standard Financial Information Structure (SFIS) and DLMS compliant system, whereas the majority of the Security Cooperation (SC) community is still using legacy 80 record position transactions. NATEC is an SCES partner that is making the shift to DLMS compliance.

(2) Currently, NATEC sends FMS requisitions and shipping information to the Naval Supply Systems Command, Weapon Systems Support (NAVSUP WSS); that data is semi-automatically entered into the Management Information System International Logistics (MISIL) system. NATEC acts on behalf of the FMS customer to automatically generate requisitions for updates to Navy publications (COG 6I) using an automated distribution list. NATEC works with various suppliers to arrange fulfillment and shipment, to include Navy Logistics Element Managers and Document Services. NATEC coordinates with the suppliers to obtain the supply and shipment status information, which is then entered into TMAPS. TMAPS will then transmit the status transactions to MISIL. These transactions include standard MILSTRIP legacy Document Identifier Codes (DIC) AE3 Supply Status and AS3 Shipment Status, along with non-standard MISIL 80 card column requisition documents DIC X04.

(3) For the SCES Increment 1 target state, NATEC intends to send DLMS-compliant transaction sets to Transaction Services.

(a) Supply Status transactions will be formatted to the DLMS 870S (MILSTRIP legacy DIC AE3).

(b) Shipment Status transactions will be formatted to the DLMS 856S (MILSTRIP legacy DIC AS3).

(c) Requisition transactions will be formatted to the DLMS 511R (MILSTRIP legacy DIC A04). All but two fields of the DIC X04 transaction can be handled by the DLMS 511R.

(d) SF1080 billing transactions will be sent from TMAPS directly to the Defense Cash Accountability System (DCAS) over a direct interface. The SF1080 file is a user defined file format that has been coordinated between TMAPS and DFAS and is needed to provide the debit/credit expenditures to charge the buyer and reimburse the seller.

(4) During the interim state, where SCES and MISIL are both operational, NATEC will continue to send transactions to MISIL, where they will be intercepted by the MISIL Y-Gate, established by the Defense Security Assistance Development Center (DSADC). The MISIL Y-Gate will update the NATEC MILSTRIP transactions using the new SCES Routing Identifier Code (RIC), SCES Distribution Code, and SCES Fund Code, and route them to Transaction Services. Transaction Services will use the new codes to route them to SCES. The specific SCES RIC, Fund Code, and Distribution Code used for these transactions are tied to an SCES Navy DoDAAC.

c. **Approved Change in Detail:**

(1) This change is provided to document the new procedures to be used for exchange of DLMS transactions in support of NATEC. The two fields of MISIL's X04 transaction that are not currently accommodated by DLMS 511R transaction set contain information that will be resident in the SCES ERP; and, therefore, are not required for the purpose of NAVAIR technical data requisitions. However, because the ability of DLMS to accommodate these two fields could be advantageous to FMS ordering in the future, a description of the two X04 fields, Record Serial Number and Program Directive Line, is provided below.
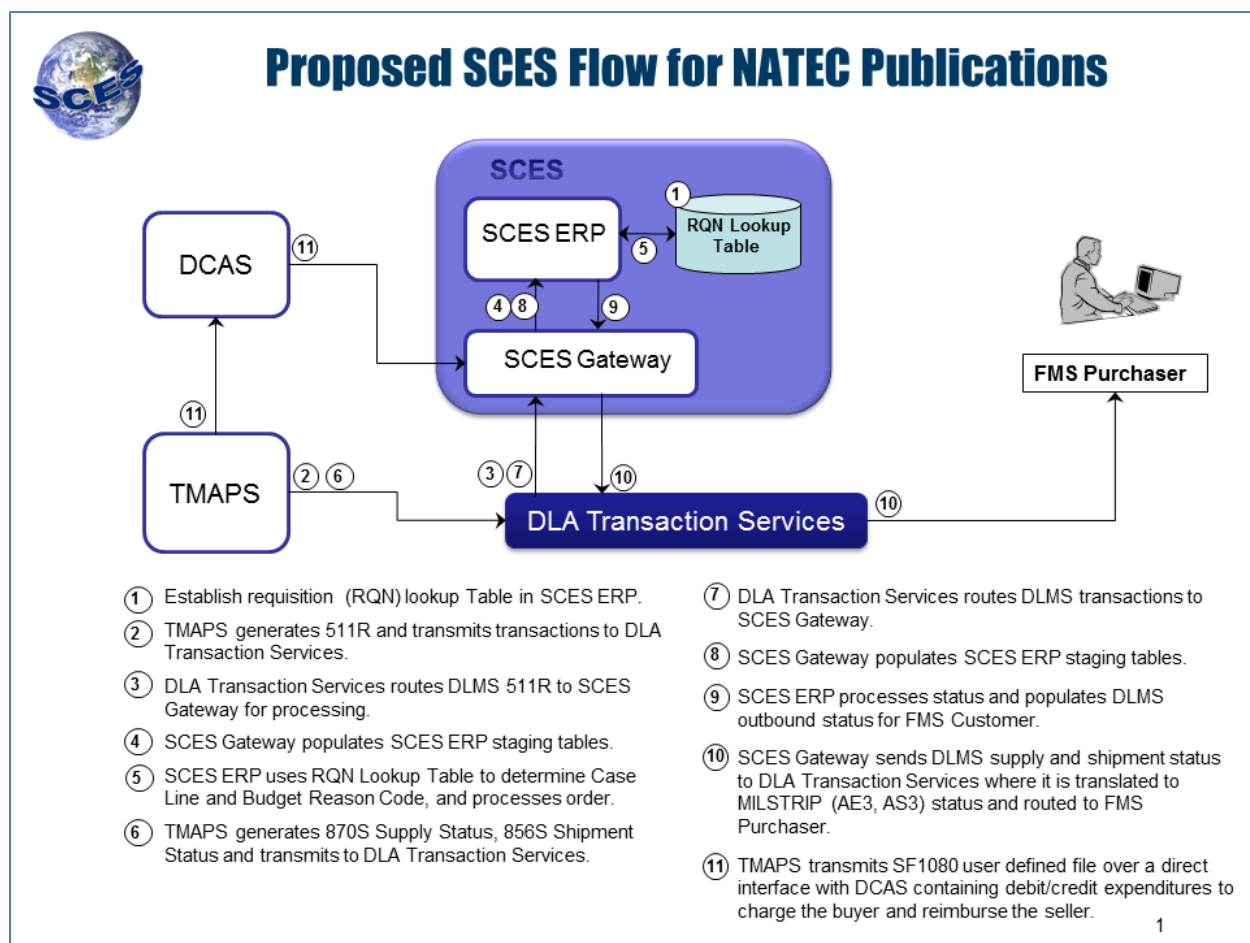
(a) The Record Serial Number (RSN) is a three-character code that corresponds to a specific Defense Articles and Services line on the Letter of Offer and Acceptance (LOA) and is established by the Defense Finance and Accounting Service (DFAS) at the time a FMS Case is offered. The RSN is also equivalent to the SLOA data element Security Cooperation Case Line Item Identifier, located in the FA2 segment citing Code P5 in the FA201 data element. In the SCES, the RSN is referred to as the Case Line, which is part of the ERP project work breakdown structure and is part of the SCES accounting fields that make up the long line of accounting.

(b) The Program Directive Line Item (PDLI) is an alphanumeric value assigned to a project directive by the designated implementing agency. It serves to maintain accountability for FMS funds that are distributed horizontally to a performing activity (a fulfillment organization). In SCES, the PDLI equates to a Budget Reason Code. The PDLI may or may not be required, depending on the FMS Case. SCES includes a look-up table from which it can identify the PDLI, based on the Case number (which is part of the Supplementary Address) and Case Line, making it unnecessary for NATEC to send this information in a 511R.

(2) A future revision to DLMS may be proposed that would include this information in a DLMS 511R, thereby eliminating the need to populate the SCES table for each Country/Case combination. The addition of these data elements to DLMS will need to be considered along with other Security Assistance related changes as the Security Cooperation community gains experience with DLMS.

d. **Revisions to DLM 4000.25 Manuals:** No revisions required.

e. **Approved Transaction Flow:** The information exchange flow pertains to Navy publications requisitions having COG 6I. Transactions generated by the FMS Module at NATEC will always be from NATEC to SCES ERP through Transaction Services. The flow is depicted in the diagram below.

Proposed SCES Flow for NATEC Publications

1. Establish requisition (RQN) lookup Table in SCES ERP.
2. TMAPS generates 511R and transmits transactions to DLA Transaction Services.
3. DLA Transaction Services routes DLMS 511R to SCES Gateway for processing.
4. SCES Gateway populates SCES ERP staging tables.
5. SCES ERP uses RQN Lookup Table to determine Case Line and Budget Reason Code, and processes order.
6. TMAPS generates 870S Supply Status, 856S Shipment Status and transmits to DLA Transaction Services.
7. DLA Transaction Services routes DLMS transactions to SCES Gateway.
8. SCES Gateway populates SCES ERP staging tables.
9. SCES ERP processes status and populates DLMS outbound status for FMS Customer.
10. SCES Gateway sends DLMS supply and shipment status to DLA Transaction Services where it is translated to MILSTRIP (AE3, AS3) status and routed to FMS Purchaser.
11. TMAPS transmits SF1080 user defined file over a direct interface with DCAS containing debit/credit expenditures to charge the buyer and reimburse the seller.

 f. <u>**Alternatives**</u>**:** NAVAIR, NATEC, NAVSUP WSS, and the SCES Program Office discussed various alternatives to meet the requirement for SCES. Those included:

  (1) sponsoring a change to add RSN and PDLI to DLMS that would allow NATEC to continue to send MILSTRIP, which would be translated to DLMS by Transaction Services,

  (2) point-to-point exchange with SCES, and

  (3) use of 810L for non-interfund billing.

Consideration of several factors including mandate for DLMS, advantages of using Transaction Services, SCES timeline, and maturity regarding use of SFIS, resulted in the approach outlined in this ADC.

 g. <u>**Proposed DLMS Change (PDC) 1173 Staffing Response/Comment Resolution**</u>**:**

Originator	Response/Comment	Disposition
Army (8/14/2015)	Concur without comment.	Noted.
Navy (8/26/2015)	Concur without comment.	Noted.

Originator	Response/Comment	Disposition
Air Force (8/28/2015)	Concur without comment.	Noted.
Marine Corps (9/10/2015)	Concur without comment.	Noted.
DLA (8/26/2015)	Concur without comment.	Noted.
DSCA (9/22/2015)	Concur without comment.	Noted.
Transaction Services (9/28/2015)	Concur without comment. SCES has been testing with Transaction Services, along with NATEC.	Noted.

5. REASON FOR CHANGE: MISIL is being discontinued and is migrating into SCES; legacy MILSTRIP and non-standard 80 record position formats need to be migrated to the DLMS standard to enable full interoperability with DLMS compliant systems. During the interim state, where SCES and MISIL are both operational, a MISIL Y-Gate was developed by the DSADC to direct transactions to the appropriate system managing the FMS case (e.g., new cases go to SCES; existing cases go to MISIL). NATEC will continue to send transactions to MISIL, where they will be intercepted by the MISIL Y-Gate. For new FMS cases, the MISIL Y-Gate will update the NATEC MILSTRIP transactions using the new SCES Routing Identifier Code (RIC), SCES Distribution Code, and SCES Fund Code, and route them to Transaction Services. Transaction Services will use the new codes to route them to SCES. The specific SCES RIC, Fund Code, and Distribution Code used for these transactions are tied to an SCES Navy DoDAAC.

6. ADVANTAGES AND DISADVANTAGES:

    a. Advantages: DLMS compliance avoids unnecessary translation and enables future use of DLMS enhancements. Also, the use of Transaction Services, a more mature service than SCES, decreases the risk of delays in implementation and avoids point-to-point interfaces.

    b. Disadvantages: None. However, use of DLMS by NATEC and SCES requires that these organizations participate in the DLMS change management process to a level not previously required, which presents a learning curve. This risk is mitigated by including NATEC and SCES representatives as interested parties to the applicable DLMS process review committees, so they will have direct visibility of future changes and the ability to provide input to the staffing process.

7. ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW DEVELOPMENT: Secure transmission on a regularly scheduled basis can be worked out between NATEC and Transaction Services.

8. ADDITIONAL FUNCTIONAL REQUIREMENTS: Possible future need to modify DLMS to accommodate RSN and PDLI information as discussed in paragraph 4.c.(1) above. Possible future opportunity to send billing transactions through Transaction Services using the 810L.

9. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: Desired implementation: SCES Full Deployment Decision (FDD), estimated for October 2015.

10. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: Change is mandated due to phasing out of legacy MILSTRIP and non-standard 80 record position transactions.

11. IMPACT:

    a. New DLMS Data Elements: There are no new DLMS data elements or changes to existing data elements introduced by this change. A future PDC will be developed if and when the RSN and PDLI data elements are to be formally entered into the DLMS 511R Implementation Convention.

    b. Automated Information Systems (AIS):

        (1) TMAPS - Implement the DLMS 511R, 870S, and 856S Implementation Conventions as defined in this DLMS change.

        (2) SCES - For the DLMS 511R transactions from TMAPS, establish a table in SCES to derive the RSN and PDLI data element values that were conveyed in the legacy X04 transaction. Of note, the DLMS 511R implementation convention already has the Security Cooperation Case Line Item Identifier mapped in the FA2 segment at 2/FA201/286 Code P5; per this DLMS change, this would carry the RSN, which in SCES is referred to as the Case Line and is part of the SCES accounting fields that make up the long line of accounting.

    c. Transaction Services: Implement necessary requirements to communicate securely with NATEC and route transactions through to SCES (see paragraph 4.e.).

    d. Non-Defense Logistics Management Standards Publications: Navy and SCES will update any required local procedures to align with the procedures and standards defined in this DLMS change.