**DEFENSE LOGISTICS AGENCY**
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April 06, 2018

MEMORANDUM FOR SUPPLY DISCREPANCY REPORT (SDR) PROCESS REVIEW
COMMITTEE (PRC) MEMBERS

SUBJECT:   Approved Defense Logistics Management Standards (DLMS) Change (ADC)
1181B, Administrative Addendum to ADC 1181A Supplier Performance Risk
System (SPRS) (formerly PPIRS-SR-NG) Functional Enhancements for Contractor
Noncompliance SDRs (Supply/SDR)

The attached change to DLM 4000.25, Defense Logistics Management Standards (DLMS), is
approved for implementation.

Addressees may direct questions to DLMSSDR@dla.mil, or Ben Breen, DOD
Discrepancy/Deficiency Administrator e-mail benjamin.breen@dla.mil.  All others must contact
their Component designated Supply PRC representative or SDR Subcommittee representative
available at http://www.dla.mil/HQ/InformationOperations/DLMS/allpoc/.

HEIDI M. DAVEREDE
Program Manager
Enterprise Business Standards Office

Attachment
As stated

cc:
ODASD (SCI)
OUSD DPAP (PDI)
DOD Product Quality Deficiency Report (PQDR) Committee

# Administrative Addendum to ADC 1181A Supplier Performance Risk System (SPRS) (formerly PPIRS-NG) Functional Enhancements for Contractor Noncompliance Supply Discrepancy Reports (Supply/SDR)

**1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:** Technical POC: Mr. Ben Breen, DOD Discrepancy/Deficiency Administrator, Enterprise Business Standards Office (EBSO), 614-692-2317 or DSN 850-2317, email: Benjamin.breen@dla.mil

**2. FUNCTIONAL AREA LOGISTICS AND TRANSACTION CHANGES:**

    **a. <u>Primary/Secondary Functional Area</u>:** Supply Discrepancy Reporting

    **b. <u>Primary/Secondary Functional Process</u>:** DOD WebSDR Processing

    **c. <u>Logistics and Transaction Changes (Check All That Apply)</u>:**

| ☑ | Category | ☑ | Category | ☑ | Category |
|---|---|---|---|---|---|
| | Billing | | Physical Inventory | | Contract Admin |
| ☑ | Discrepancies / Deficiencies | | MILSTRAP | | DoDAAD |
| | Serialization | | MILSTRIP | | MAPAD |
| | Small Arms/Light Weapons | | MRA | | LMARS |
| | pRFID | | Disposition | ☑ | DLM Publications |
| | GFP | | DOD BRAC | | |

**3. REFERENCES:**

    **a.** ADC 1181A, Implementing the Cause Code for Supply Discrepancy Reports (SDRs) and Developing a Data Exchange Between WebSDR and Past Performance Information Retrieval System-Statistical Reporting Next Generation (PPIRS-SR NG) for Contractor Noncompliance SDRs, February 14, 2017

    **b.** DLM 4000.25 , DLMS, Volume 2, Chapter 17, Supply Discrepancy Reporting

    **c.** DLM 4000.25, DLMS, Volume 1, Appendix 3, Acronyms and Abbreviations

    **d.** ADC 1127, Enhanced SDR Guidance for Foreign Military Sales (FMS), SDR Time Standards for Controlled Inventory Items, SDR Forwarding after Logistics Reassignment (LR), Packaging SDRs, and Administrative Updates (SDR)

     **e.** [DLM 4000.25](#), DLMS Volume 2, Appendix 8.56, WebSDR Contractor Noncompliance
Data Extract

## 4. REQUESTED CHANGE(S):

     **a. <u>Brief Overview of Change</u>:** During end-to-end system testing for ADC 1181A implementation, the DOD Discrepancy/Deficiency Administrator noted the need for several clarifications and changes. This administrative addendum documents those changes and adds required functionality to the existing SDR vendor noncompliance system exchange and business rules between WebSDR and Supplier Performance Risk System (SPRS) (Reference 3.a.).

     **b. <u>Background</u>:**

     **(1)** ADC 1181A required all DOD Components to assign a cause code identifying contractor/vendor noncompliance (when applicable as the reason for the discrepancy) on the final SDR reply by the item manager (action activity). The cause code triggers transmission of SDR data from WebSDR via a new interface for use in evaluating vendors' performance in SPRS, formerly PPIRS-SR-NG. WebSDR sends a user defined file (UDF) to the Product Data Reporting Evaluation Program (PDREP) and SPRS extracts the files from PDREP. WebSDR will determine if the SDR record removed, updated, or added the contractor noncompliance Cause Codes CN, CS, or CP and will send the updated record to SPRS.

     **(2)** The Cause of Loss data element is identified in the DLMS 842A/R SDR reply. The Cause of Loss data element is optional except when applicable to SDR Document Type 6, 9, P, or W (for vendor shipment), or when the validated discrepancy is the contractor's fault. After determining that the contractor is at fault, the owner/manager must cite the applicable Cause Code: CN - Contractor Noncompliance; CP - Contractor Packaging Noncompliance; or CS - Contractor Noncompliance (Subcontractor) (References 3.b.and 3.c.).

     **c. <u>Requested Change in Detail</u>:**

     **(1)** Update the system name from PPIRS to SPRS in DLM 4000.25, Volume 2, Chapter 17 Supply Discrepancy Reporting and add an acronym and term for SPRS to Volume 1 Appendix 3, Acronyms and Abbreviations, as shown in Enclosure 1.

     **(2)** Revise the Contract Administration Office (CAO) data element from mandatory to optional in Appendix 8.56 WebSDR Contractor Noncompliance Data Extract as shown in Enclosure 2. During end-to-end testing, it was noted that the CAO was not always populated on the SDR via the WebSDR Electronic Data Access (EDA) interface or when the ICP provided the final reply. This prevented WebSDR from generating a User Defined File (UDF) for the SDR record being closed out as contractor or vendor non-compliance simply because the CAO was missing. This data element, although important, should not be a mandatory data element in Appendix 8.56 WebSDR when sending a UDF to SPRS.

     **(3)** Users can interpret ADC 1181A to allow any SDR Document Type Code (e.g., Type 8) that has a contract number associated with it closed out as contractor or vendor non-compliance to be included in the WebSDR UDF transmission of SDR data to SPRS.

However, the only SDR Document Type Codes, which will be included in the transmission of a UDF to SPRS for vendor non-compliance, will be Document Type Code (6/9/P/W). These document-type codes pertain to new procurement contract SDRs. In addition, there are very few instances where the Distribution Standard System (DSS) can input a cause code for Type W SDRs. WebSDR has applied an internal edit based on the system ID being DSS, and in these instances WebSDR will not include these SDRs in the transmission of UDFs to SPRS.

**(4)** During end–to-end testing, some replies from PDREP were not being included in the UDF transmission when the ICP changed the cause code. PDREP SDR replies come from a DoDAAC in lieu of a Routing Identifier Code (RIC). Therefore, when the cause code changed on a subsequent reply to the original reply, WebSDR could not match up the replies to track the changes. WebSDR looks for the RIC-from value. WebSDR added additional internal DoDAAC-to-RIC look-up tables for SDR replies. To ensure compatibility, WEBSDR will limit these look-up tables to specific system IDs (for example PDREP) that currently use DoDAAC addressing in the reply transactions.

**(5)** ADC 1181A documented in Appendix 8.56 that the part number field must be alpha numeric. However, during testing it was discovered that some part numbers contain special characters (e.g., – (dash)) that prevented WebSDR from transmitting the UDF to SPRS. This addendum updates the data elements in Appendix 8.56 to allow the same special characters to be used in the part number field that were approved in ADC 1127 (Reference 3.d. and 4.e.) listed below:

| Authorized Special Characters |
| :---: |
| @ (at sign) |
| # (number/pound sign) |
| $ (dollar sign) |
| ( (open parenthesis) |
| ) (close parenthesis) |
| – (dash) |
| = (equal sign) |
| + (plus sign) |
| , (comma) |
| . (period) |
| : (colon) |
| / (forward slash) |
| \ (backward slash) |
| [ (open bracket) |
| ] (close bracket) |
| ? (question mark) |

**(6)** Update WebSDR direct input functionality with a new discrepancy code drop-down menu option for "Remove Discrepancy Code" for Discrepancy Codes 2 and 3 at the

top of each listing to allow responders to remove incorrect codes from the record.  This functionality will allow responders to remove discrepancy codes that the submitter input in error.  WebSDR will create an error to the user if the SDR does not contain at least one valid discrepancy code.

        **(7)**  ADC 1181A did not specifically address including Transaction Set Purpose Code 49 (Historical) in the WebSDR transmission to SPRS for contractor or vendor non-compliance SDRs.  This addendum clarifies that SDR Types: 6/9/P/W with Transaction Set Purpose Code = 49 and Cause Code = CN/CP/CS will be included in the UDF to SPRS.

        **(8)**  WebSDR will send a daily file to the SPRS program office with the listing of all the UDF files SPRS should have received from the previous day.  This report will allow SPRS to cross-reference the UDFs WebSDR transmitted to ensure SPRS properly received and processes all the incoming UDFs.  This report will be emailed to a group email address determined by the SPRS office.

    **d.  Revisions to DLM 4000.25 Manuals:**

        **(1)**  Revise DLM 4000.25 Volume 1 Appendix 3 Acronyms and Abbreviations, and Volume 2, Chapter 17 as shown in Enclosure 1.

        **(2)**  Revise DLMS 4000.25, Volume 2, Appendix 8.56 WebSDR Contractor Noncompliance Data Extract, as shown in Enclosure 2.

    **e.  Proposed Transaction Flow:**  Standard SDR transaction flow.

    **f.  Alternatives:**  None noted

**5.  REASON FOR CHANGE:**  Document and clarify improvements identified during end to end testing for vendor noncompliance reporting.

**6.  ADVANTAGES AND DISADVANTAGES:**

    **a.  Advantages:**  This addendum implements required improvements discovered during end to end testing prior to release to production.

    **b.  Disadvantages:**  None noted.

**7.  ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW DEVELOPMENT:**  None identified.

**8.  ADDITIONAL COMMENTS TO CONSIDER:**  None identified.

**9.  ADDITIONAL FUNCTIONAL REQUIREMENTS:**  None identified.

**10.  ESTIMATED TIME LINE/IMPLEMENTATION TARGET:**  Immediately upon approval.

**11.  ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH
IMPLEMENTATION OF THIS CHANGE:**  None noted as this addendum serves to
document changes already made in WebSDR.

**12.  IMPACT:**

      **a.  New DLMS Data Elements:**  Not applicable

      **b.  Changes to DLMS Data Elements:**  Not applicable

      **c.  Automated Information Systems (AIS):**  SPRS has already made the updates
documented in this addendum.

      **d.  Defense Automatic Addressing System (DAAS):**  WebSDR has already made the
updates documented in this addendum.

      **e.  Non-DLM 4000.25 Series Publications:    Components may need to update their
internal policy as applicable.**

**Enclosure 1,** Revise DLMS 4000.25 Volume 1 Appendix 3 Acronyms and Abbreviations, and Volume 2, Chapter 17 as follows:

**A.**    Acronyms and Abbreviations

| ACRONYM OR ABBREVIATION | DEFINITION |
|---|---|
| *SPRS* | *Supplier Performance Risk System* |

**B**. Chapter 17

*Intervening text not shown*

      C17.3.12.1.2.  Replies.  Action activities will reply to SDRs by submission of a DLMS 842A/R to WebSDR or via direct WebSDR input.  SDR replies will indicate the appropriate disposition, (e.g., acknowledgement of the report, disposition of the materiel, validation of the report with authorization of financial adjustment, and/or instructions for repackaging, repair or other types of corrective action).  SDR replies must contain the appropriate discrepancy code consistent with all information provided by the customer.  The action activity may need to update the discrepancy codes used by the customer to assign the appropriate discrepancy code for the scenario described in the SDR remarks.  The action activity will identify the disposition/status using the appropriate Reply Code (Appendix 7.28).  Action activities may include the applicable cause code in the SDR to provide better visibility of the underlying reason for the SDR; *C*ause *C*odes *(CN/CP/CS)* are required for SDR~~s~~ *(Document Type Code 6/9/P/W)* associated with contractor/vendor noncompliance.  Upon subsequent determination that contractor/vendor noncompliance is not applicable, (e.g., in response to a contractor challenge), the item manager must provide a new SDR reply containing Reply Code 151 (prior response is superseded) and no cause code (or a replacement cause code not associated with the contractor noncompliance).[1]

*Intervening text not shown*

      C17.3.20.  Defense Automatic Addressing System (DAAS) SDR Processing

*Intervening text not shown*

      C17.3.20.8.  DAAS will prepare and transmit the WebSDR Contractor Noncompliance Data Extract as an automated interface in support of contractor evaluation by ~~Past Performance Information Retrieval System-Statistical Reporting Next Generation (PPIRS-SR NG)~~ *Supplier Performance Risk System (SPRS)[2]*.  SDR records will be selected based upon inclusion of an SDR cause code indicating contractor/vendor noncompliance (Cause Codes CN, CP, or CS) in the final reply by the item manager *for SDR Document Type Codes (6/9/P/W including Historical (49)*

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[1] Refer to ADC 1181A.
*[2] Refer to ADC 1181B*

***SDRs).*** WebSDR will monitor SDR updates for changes to the cause code and transmit the SDR Data Extract to ***SPRS*** ~~PPIRS-SR NG~~ if a previously assigned contractor noncompliance ***Cause*** Code has been removed or new noncompliance cause code has been added or updated.  Applicable data content for transmission is identified in Appendix 8.56.  Transmission will occur on a daily basis containing only those SDRs validated since the previous transmission.[3]

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[3] Refer to ADC 1181A

**Enclosure 2,** Revise DLMS 4000.25 Volume 2, Appendix 8.56 as follows:

# <u>AP8.56 APPENDIX 8.56</u>

## <u>WEBSDR CONTRACTOR NONCOMPLIANCE DATA EXTRACT</u>[4]

| Data Element Name | A=Alpha<br>N=Numeric<br>*S=Special Characters* | Field Length<br>Min/Max | M=Mandatory<br>O=Optional |
|---|---|---|---|
| Submitting Activity (DoDAAC) | A/N | 6/6 | M |
| SDR Document Type | A/N | 1/1 | M |
| Customer Preparation Date (YYYYMMDD) | N | 8/8 | M |
| Action Activity (DoDAAC assigning Cause Code) | A/N | 6 | M |
| DoD WebSDR Control Number | N | 11/11 | M |
| Contract Administration Office | A/N | 6/6 | ~~M~~*O*[5] |
| Procurement Instrument Identifier (PIID) (Contract Number) | A/N | 13/19[6] | M |
| Vendor Commercial and Government Entity (CAGE) Code[7] | A/N | 5/5 | M |
| Action Activity Reply Date (YYYYMMDD) | N | 8/8 | M |
| Materiel Identification: | A/N | (variable) | M |
|   National Stock Number | | 13/13 | |
|   Part Number[8] | *A/N/S* | 32 | |
|   Manufacturer's CAGE Code | | 5 | |
|   LSN/Other Materiel Identification | | 13/25 | |
| Cause Code | A | 2/2 | M |

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[4] Refer to ADC 1181A.
[5] *Refer to ADC 1181B.*
[6] Refer to ADC 1161, Update Uniform Procurement Instrument Identifier (PIID) Numbering System.  Note:  If only the PIID call/order number is available, it will be provided in this data field.
[7] Populated by the shipper field in WebSDR.
[8] *Refer to ADC 1181B*.