MEMORANDUM FOR LOGISTICS EXECUTIVE STEERING COMMITTEE

SUBJECT: Approved Defense Logistics Management Standards Change 1343, Missing
         Materiel Receipt Acknowledgement Closeout (Supply) Correction

      The attached Approved Defense Logistics Management Standards Change (ADC), as
outlined in the attachment, is approved for implementation. This version replaces the original
signed on June 21, 2021.

      Addressees may direct questions to Jan Mulligan, Director of Supply, Office of the
Deputy Assistant Secretary of Defense(Logistics), e-mail: Jan.B.Mulligan.civ@mail.mil, or Tad
DeLaney, Director, Defense Enterprise Data Standards Office, e-mail:
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Leigh E. Method, SES
Deputy Assistant Secretary of Defense
   for Logistics

Attachment:
As stated

ADC 1343
Missing Materiel Receipt Acknowledgement (MRA)

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:

   a. **Technical POC:** Rafael Gonzalez, DEDSO.Supply@dla.mil

   b. **Functional POC:** Robert Prillaman, Robert.Prillaman@dla.mil

2. REFERENCES:

   a. DLM 4000.25, DLMS Volume 2, Chapter 10, Materiel Receipt Acknowledgement

   b. Missing Materiel Receipt Acknowledgement (MRA) IPT Meetings (Apr 2018-March 2019)

   c. DLM 4000.25-4 Defense Automatic Addressing System Manual, Appendix 5 Logistics Information Data Services

   d. DoDM 4140.01, Volume 5, DoD Supply Chain Materiel Management Procedures: Delivery of Materiel

   e. DoDM 4140.01, Volume 11, DoD Supply Chain Materiel Management Procedures: Inventory Accountability and Special Management Handling

   f. Cataloging Data and Transaction Standards, Volume 10, Multiple Application References / Instructions / Tables and Grids, Table 61, Controlled Inventory Item Codes

   g. HQMC Memo for DASD Logistics dated August 28, 2020

   h. DASD Logistics Memo for ADC I&L and ADC P&R, undated

   i. Meeting of ODASD (Logistics) led Missing MRA IPT on October 28, 2020

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

   k. 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, October 10, 2013

   l. ADC 1068B, Revised Procedures for Requisitioning via DOD EMALL and GSA Internet Ordering: Component Verification of Funds Availability, October 23, 2014

3. APPROVED CHANGE(S): Substantial changes from PDC 1343 are shown in green highlight. <mark>Replaces the June 6, 2021, version which omitted the identification code qualifier in the change tables shown in Enclosure 5.</mark>

    a. **Brief Overview of Change:**

       (1) Revise materiel receipt acknowledgement (MRA) follow-up procedures to include a notification to the customer that the supplier of record (wholesale inventory control point) has assumed receipt, due to non-receipt of an MRA. This would occur when the customer has not submitted an MRA within submission and follow-up timeframes established in DLM 4000.25, Volume 2, Chapter 10.

       (2) The notification will include a management code, communicating whether the materiel requirement was filled via direct vendor delivery (DVD) or from DoD stock.

       (3) All controlled inventory items (CII) designated with a controlled inventory item Code (CIIC) (other than CIIC U or blank) in the Federal Logistics Information System (FLIS) record for the national stock number (NSN) will be excluded from this process.

       (4) ~~These procedures do not apply to off-line ordering systems, per reference h.~~

    b. **Background:**

       (1) Historically, the supplying activity does not receive an MRA for approximately 10 percent of orders. In 2018, the Defense Logistics Agency did not receive MRA transactions from its customers for 18 percent of orders received, clearly displaying an increasing trend.

       (2) The Office of the Deputy Assistant Secretary of Defense for Logistics (ODASD (Logistics)) led a series of workgroup meetings to review the missing MRA issues (Reference b.). The outcome of those meetings was a tasking for supplying activities to develop a method to address missing MRA transactions in their supply systems and to notify customers of actions taken. This change incorporates those recommendations.

       (3) The lack of MRA submissions negatively affects accountability and audit readiness. The objectives of this change are to provide a near fully automated solution to address outstanding MRA submissions by DOD, Federal, and recognized foreign customers, while recognizing varying levels of inherent material and/or financial risk. This change will provide a transaction history for auditability, will not impact the existing MRA submission timeframes per DLM 4000.25, Volume 2, Chapter 10 (Reference 3.a.), and will support prompt payment requirements where practical.

       (4) Subsequent to the staffing process, the MRA integrated project team (IPT) determined the need to add additional information to this change and divide the implementation into phases to allow ample time for the Services to better understand the effects of administrative closeouts on orders made from a non-standard requisitioning system.

(5) The procedures in this change will apply to all shipments of wholesale materiel (Reference 3.h and 3.i.) A phase approach is necessary to allow ample time for the Services to implement critical changes in their respective systems that will support the MRA process and its sub-components. Part of the systems changes will also establish a process that will allow the materiel owner responsible for payment to authorize and obligate funds for requisitions originated from a non-standard requisitioning system. See additional details for each implementation phase in section 10.

(6) To facilitate the phased approach, the DLMS environment will support a new qualifier to identify the originating system. During phase 1, DAAS will assist in populating the originating system on incoming transactions where the source is a non-standard requisitioning system. DAAS will also transmit an image of the requisition transaction to the materiel owner responsible for payment to increase visibility. During phase 2, the expectation is for DOD Components to populate the data element before transmitting any DLMS transaction. The intent is to identify the originating system of every DLMS transaction; however, phase 1 will only focus on the DLMS 511R, 511M, and 869F to increase visibility of requisitions originated from a non-standard requisitioning system.

    c. **Approved Change in Detail:**

        (1) Add the new informational Requisition Transaction Status Code (See Enclosure 1), as follows, for the closure of an order under this missing MRA procedure:

        D9 Closed. Open order was administratively closed due to non-receipt of a materiel receipt acknowledgement (MRA). Source of Supply/Integrated Materiel Manager did not receive a materiel receipt acknowledgement within prescribed timeframes per DLM 4000.25, Volume 2, Chapter 10.

        (2) Add two new management codes (See Enclosure 4), as follows, to communicate whether materiel was filled via DVD or from DOD stock.

        (a) X Assumed receipt from DOD stock. Use only in conjunction with Supply Status Code D9.

        (b) Y Assumed receipt from DVD source. Use only in conjunction with Supply Status Code D9.

        (3) As detailed in Enclosure 2, add new procedure to DLM 4000.25, Volume 2, Chapter 10 to closeout requisitions when an MRA is not received. Supplying components will:

        (a) Generate informational Supply Status (DLMS IC 870S or equivalent) with Status Code D9 to the ordering component upon closure of the requisition under these procedures. Include Management Code X or Y, as appropriate, on the transaction.

        (b) Exclude all catalogued NSNs coded as other than CII U or blank (Reference 3.f.), and develop local policy and procedures to manage additional, inherent materiel and/or financial risk involved in assuming receipt.

(4) Create a new MRA-related report in the Defense Automatic Addressing System (DAAS) – Logistics Reports module to identify the volume of administratively closed orders under this procedure (Reference 3.c.). See Enclosure 3.

(5) Add new N101 qualifier UK System, to all DLMS transactions to carry the originating system. This new qualifier will allow DOD Components to identify requisitions originated from a non-standard requisitioning system and trigger additional business rules as necessary. DEDSO will implement the appropriate changes to all DLMS transactions upon approval of this change. However, the Services can stagger implementation, prioritizing the DLMS 511R, 511M, and 869F transactions.

(a) Under phase 1, DAAS will assist in populating the originating system, using the COMMRI, into the DLMS 511R, 511M, and 869F. In addition, DAAS will send an image transaction of the requisition to the materiel owner responsible for payment.

(b) To support this change, DOD Components must identify each system by COMMRI.

(6) Modify DAAS routing logic to populate the system originator using qualifier UK System, on all DLMS 511R, 511M, or 869F to a source of supply. Under phase 1, DAAS will assist in populating the originating system, using the COMMRI, into the DLMS 511R, 511M, and 869F. Under phase 2, DOD Components are responsible for populating the originating on every DLMS transaction. In addition, DAAS will transmit an image transaction to the materiel owner responsible for payment.

(7) Administrative closeout applies to open orders lacking a valid MRA. DoD Components may avoid the administrative closeout procedures by:

(a) Promptly submitting an appropriate MRA upon receipt or for non-receipt when the timeframe for receipt passes. DoD Components may submit supply discrepancy reports (SDR) after the MRA. This will ensure the ICP receives confirmation of receipt or non-receipt within the established time standards in DLM 4000.25, Volume 2, Chapter 10, and avoid administrative closeout.

(b) PDC 1292 provides the capability to translate a receipt transaction into a systemic MRA. DOD Components may use this process and allow DAAS to transmit the MRA on their behalf when the storage activity is unable to provide the MRA due to system limitations or when doing so, it simplifies the steps the operator must take to complete and transmit the MRA.

d. **Revisions to Defense Logistics Manuals:**

(1) Update DLMS Volume 2, Appendix 7.16, Status Codes. See Enclosure 1.

(2) Update DLMS Volume 2, Chapter 10, paragraphs C10.7 and C10.10. See Enclosure 2.

(3) Update DLMS Volume 2, Appendix 2.6 Management Codes. See Enclosure 4.

e. Approved Transaction Flow: Generate a Supply Status Transaction (DLMS 870S) from the supplier system to the ordering component upon closing the order, when an MRA was not received within the timeframes identified in Table C10.T2 (Reference a.) plus the 10 day reply response timeframe.

f. Alternatives: None.

4. REASON FOR CHANGE: Provides supplying components a method to close orders and notify customers after considering any inherent risks, while supporting audit readiness standards.

5. ADVANTAGES AND DISADVANTAGES:

a. Advantages: Provides a closure method for supplying organizations in instances when it does not receive an MRA from the supported customer.

b. Disadvantages: May promote or perpetuate behavior that results in Components not submitting MRAs in accordance with policy and procedures outlined in References 3.a and 3.d., including foregoing system updates.

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

a. Individual supplying components will adopt this change by developing and implementing necessary internal systems changes and procedures.

b. DOD Components will implement the following critical DLMS changes, as these are necessary for a successful implementation: ADC 328, ADC 1068, and ADC 1068B.

7. ADDITIONAL COMMENTS TO CONSIDER: None.

8. ADDITIONAL FUNCTIONAL REQUIREMENTS: None.

9. ESTIMATED TIMELINE/IMPLEMENTATION TARGET:

a. The implementation target for the components to send and/or receive the D9 status is 180 days from the approval of the ADC, but no sooner than the DAAS report implementation. The DAAS implementation target for the D9 Supply Status report is 180 days from approval of the ADC. Once the DAAS D9 Supply Status Report is available, components that are ready to begin using the procedures may do so. Requisitions generated in the Services' standard ordering systems will be included at go-live.

b. Requisitions generated in non-standard systems or commodity specific systems will be phased as follows:

(a) Phase 1 will provide limited visibility of requisitions originated from a non-standard requisitioning system to materiel owners responsible for payment using the new qualifier UK-System. Phase 1 will mostly affect DAAS in terms of system implementation; however, DOD Components must implement the DLMS changes as part of phase 2. The visibility of requisitions generated from a non-standard requisitioning system is limited to those using DAAS services. Administrative closeout procedures will not apply to requisitions generated from a non-standard requisitioning system.

(b) Phase 2 will focus on the implementation of several ADCs that addresses the MRA process and its sub-components, as most Services are still yet to implement them. In addition to this change, the implementation of ADC 328, ADC 1068, and ADC 1068B are critical to comply with the MRA requirement established in DODM 4140.01 and DLM 4000.25. Under phase 2, administrative closeout procedures will apply to all requisitions, regardless of the system in which they were placed. Failure to implement these changes and provide MRA within the time standards in the DLM 4000.25 could result the open order to be closed using the administrative close-out procedures.

10. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: There will be savings related to the reduction of interest payments to vendors due to late payments, where those payments were delayed awaiting a customer submitted MRA. Estimates are unavailable.

11. IMPACTS:

a. <u>**New/Changes to Data Elements**</u>: None.

b. <u>**Changes to DLMS Data Elements**</u>:

(1) Update Supply Status to add the new code, D9.

(2) Add new qualifier UK-System to all DLMS transactions to support the originating system data element.

c. <u>**Automated Information Systems (AIS)**</u>:

(1) Sources of Supply or Wholesale Inventory Control Points that choose to use these new procedures must program their systems to allow automatic or manual Missing MRA Closeout of orders in lieu of an MRA from the ordering component. The MRA close-out procedures will trigger the same internal actions that an MRA would, to the extent required by each individual system or local policy. Orders for NSNs with a CIIC equal to U or blank within FLIS must be systemically excluded from these procedures. The intent is for Components to systemically exclude all controlled items as stated in this document. The systemic exclusion must be flexible enough to support any changes in the future in the event a given CIIC becomes eligible. Any changes to the scope of this change will be a joint decision by ODASD (Logistics) and the DoD Components as applicable. All Components have the responsibility to establish local policies to ensure proper management and submission of MRAs for NSNs that fall outside of the scope of this change.

(2) Sources of Supply or Wholesale Inventory Control Points that implement these new procedures must also program their systems to send the Missing MRA Closeout status transaction with Status Code D9 to the ordering Component along with the appropriate, required management code, as detailed in Enclosures 1, 2 and 4.

(3) Ordering Components must program their systems to receive Missing MRA Closeout status from inventory control points. Components will need to assess and update their procedures to process the closeout status transaction.

(4) Systems that are currently programmed to act as both a Wholesale Inventory Control Point and an Ordering Component may need to be programmed to perform both ends of this procedure. For example, DLA's Inventory Management and Stock Positioning (IMSP) Spiral II Requisition Alert process requires DLA to order materiel from other Wholesale ICPs on behalf of a retail customer. If DLA fails to send that ICP an MRA, DLA must accept an MRA Closeout status transaction.

    d. Defense Automatic Addressing System (DAAS):

(1) Develop a new report for Components to identify the monthly volume of Missing MRA Closeout of orders. See Enclosure 3.

(2) Modify routing rules to identify the originating system by COMMRI. DAAS will populate the originating system data element in all DLMS 511R, 511M, and 869F transactions and transmit an image to the customer responsible for payment.

    e. Non-DLM Publications: Components must update their local publications on MRA review procedures and incorporate changes as necessary to address this change.

12. PROPOSED DLMS CHANGE (PDC) 1343 RESPONSE/COMMENT RESOLUTION:

	Component	Response/Comment	Disposition
1.	DLA	Concur with Comments. Comments: 1. I see the OSD (Comptroller) was cc'd on this Memorandum. Please advise if my comments are misguided. I feel it is imperative to coordinate with J8 Finance before moving forward with this PDC. The statement in para. 11 on page 5 states this PDC will reduce interest payments caused from lack of a MRA. This pertains to customer direct vendor payments. On Jan. 23, 2020 I attended the J8 O2C PCM Update forum. It was stated during this forum that (for audit compliance) changes to customer billing for shipments from stock may soon be changing from drop from inventory, to customer acknowledgment. If this	Noted

		change should occur, and the PDC approved, the financial impact to DLA will increase, and a spike in SDR and billing disputes anticipated (reference DLM 4000.25, Vol. 4, C5.2.3). The PDC would then also need to address Civilian Agencies currently exempt from MRA processing. If Finance concurs with the PDC, they may wish, or be required, to update DLM 4000.25, Vol. 4, Chpt 2 & 5 - Criteria for Billing and Billing Procedures. Finance may desire to create a new "Information Indicator Code" in AP2.9; or, a new "Type of Bill Code" in AP2.5.	
		2. If this PDC is approved it will require a RFC to the interface sending status, SO processing and will change or eliminate the Defacto receipt process. According to the PDF the implementation is 180 days after approved.	
		3. Should this read "Discrepant MRA"? Also SDRs are not used for TDR and billing disputes or other follow-up action to the ICP. TDR is submitted when there is a Transportation issue. Billing disputes are addressed by DFAS.	
		4. Concur with Anna's comment: If this PDC is adopted, along with the changes required in the signed memo from OUSD (FPM19-10_Signed Memo and Attachment Accounting for In-Transit Inventory Assets), DLM 4000.25 will have to be rewritten.	
2.	Navy	Concur without Comment. Comments: 1. Navy requests clarification of the exclusion criteria described in sections 4.a.(3) and 12.c.(1). Navy does not support administrative closure of orders containing classified or pilferable material. Navy does support administrative closure of items with CII code of "U"--is that the intent of this process? 2. Navy requests clarification of the governance process that will be applied to the table of exclusions referenced in section 12.c.(1). Where will this table reside, and what will be the mechanisms to recommend and approve	Noted

		entry/removal of certain CIICs to/from the exclusion table?	
3.	Air Force	Concur without Comment.	Noted
4.	US Army	Concur with Comment. Comment: Changes will be required to Army's systems. LMP's CR 69735 is not expected to be implemented until August 2023 to cover the MRA follow up and closeout. Additional tickets will be required for both LMP and GCSS-Army to identify the system for all transactions and a potential requirement for accepting the images of 511R, 511M and 869F transactions from DAAS.	Resolution: Noted.
5.	USMC	Non-concur with comment. Comments: 1. As of March 3, 2020 USMC does not concur with PDC 1343 as written due to concerns with the auto-receipting process. _____ We have reviewed PDC 1343 [Enclosure (l)] and the Marine Corps does not concur with the PDC for the following reasons: • Auto-receipt equates to auto-bill: PDC 1343 allows for auto-receipting by the Source of Supply/Integrated Materiel Manager when the customer has not provided a material receipt acknowledgement (MRA) within a specified time, per reference (a). The auto-receipt allows the Source of Supply to bill the customer without verification that the customer has received the item. This violates general accepted accounting principles. The receipt is a key supporting documentation (KSD) that is maintained by the supply activity and the financial activity, which ultimately supports audit compliance.	DASD Proffered Resolution: I concur with your request to revise the DLMS change to clearly describe how the risk management capability works (i.e., 'Opt-out' option). The revised wording will also clarify its applicability to logistics systems only (e.g., GCSS-MC) and not off-line ordering systems (e.g., FedMall). The revised wording will be presented at the next LESC. Concurrently, the Missing MRA integrated project team (IPT), consisting of representatives from all Services components, will continue the work to determine root causes of missing MRAs and off-line ordering systems. In developing new solutions to benefit both the General Fund and Working Capital Fund financial communities, your concerns about the potential conflict between the PDC and USD(Comptroller) guidance regarding the billing of in-transit inventory and the Supply Discrepancy Report credit-adjustment process is noted. While the proposed short-term solution (as described in the PDC) does allow for potential billing without verified receipt, the problem is mitigated by each entity establishing its own risk tolerance in the short term as well as a quarterly tracking and reporting process in the long term. The short-term

		• Not clear that auto-receipt applies to logistics systems only and not off-line requisitions: The PDC does not clearly articulate that the auto-receipt will only occur in logistics/supply programs of records (i.e. GCSS-MC). The majority of the missing MRAs for the Marine Corps are from off-line requisitions (e.g., FEDMALL). Instituting an auto-receipt for off-line requisitions will only exacerbate the problem. Future endeavors should be explored to integrate GCSS-MC with FEDMALL. • OUSD-C Memo dated 9 Dec 2019 (reference (c)) concerns not addressed: The PDC does not address the accounting policy or procedural concerns contained in the OUSD-C Memo. Recommendations: • DLA clearly define the opt-out option and the Marine Corps' opts-out of PDC 1343. • Working group/lPT is formed to determine the true root cause of missing MRAs. • Establish Corrective Action Plans (CAPs) that will benefit both the General Fund (GF) and Working Capital Fund (WCF). It is imperative for DLA to strongly consider the USMC position on this matter, determine the root cause of missing MRAs, and propose a new solution considering those findings. Questions concerning this correspondence may be addressed to CW05 Christopher Aragon, LPS-1, 571-256-7118, christopher.aragon@usmc.mil.	solution represents a significant improvement and interim mitigation until longer term measures are in place. Further, all DLMS changes are agreed upon business rules for processes within, or connected with, logistics. They are typically developed as an output of a Process Review Committee, a working group, or an IPT. DLMS changes are staffed through representatives identified by each individual component. Before the July LESC, all Service components were contacted to confirm completion of PDC 1343 staffing. Each Service component is responsible for ensuring that DLMS changes are staffed throughout their respective organization. I do not support changing the PDC coordination process. Finally, as for potential violations of GAAP and DFMR 7000.14-R, Vol 4, all guidance published by FASAB (i.e., GAAP) contains the statement, "The Provisions of this Statement need not be applied to immaterial items." The short-term solution provides the capability to set and manage individual component risk tolerances at or below their own assessed level of materiality; this does not violate GAAP. Following this guidance gets the Department closer to GAAP-compliance overall. Again, this is a less than perfect but much improved solution over the status quo. OUSD (Comptroller) FIAR encourages the Marine Corps to set its risk threshold in a manner that will support its audit objectives. ODASD(Logistics) will reintroduce this subject for a vote at the next LESC, currently scheduled for October 20, 2020.
6.	DAAS	Concur with Comment. Comments: 1.Via DLA Supply PRC Rep: We have reviewed the requirements for the reports in Enclosure 3. DAAS will be unable to provide the Type of Issue (Stock = S; DVD = D) on the report.	Resolution: Revised PDC to include the creation of two new Management Codes, representing DVD vs. Stock, which will be required in the closeout transaction.
7.	USTRANS COM	None.	Noted
8.	GSA	None.	N/A
9.	ODASD	Concur with Comment. Comments:	Noted,

		Original non-concurrence with comments: 1. non-concurs for the following reason: the PDC should be revised to explicitly address controlled inventory items, for example weapons, and the corrective language should be included in the subsequent approved DLMS Change (ADC).	1.Added requirement to exclude CII coded NSNs.

Enclosure1

Defense Logistics Manual (DLM) 4000.25, Volume 2, Supply Standards and Procedures

Make the following change to Volume 2. Additions are shown in *red bold italics*.

Appendix 7.16, Status Codes

REQUISITION TRANSACTION STATUS CODES

<u>CODE</u>   <u>EXPLANATION</u>

D9   *Closed. Open order was administratively closed due to non-receipt of a materiel receipt acknowledgement (MRA).*

Source of Supply/Integrated Materiel Manager did not receive a materiel receipt acknowledgement within the prescribed timeframes per DLM 4000.25, Volume 2, Chapter 10, Materiel Receipt Acknowledgement. The SoS/IMM assumes materiel receipt by ordering activity, has closed the supply record, and considers the order complete. Ordering activities may submit follow up transactions including supply discrepancy reports and billing disputes as appropriate.

Enclosure 2

DLM 4000.25, Volume 2, Supply Standards and Procedures

Make the following change to Volume 2. Additions are shown in ***red bold italics***, and deletions are shown with double strikethrough text.

Chapter 10, Materiel Receipt Acknowledgement

See paragraph C10.7.6 for the proposed change to the MRA process to include missing MRA administrative closeout procedures. This change also includes an update to clarify the MRA timeframe background (unrelated to the missing MRA issue). See paragraph C10.10.2.2.2.5 for the proposed MRA41 Report format.

(Preceding text not shown)

C10.7. FOLLOW-UPS FOR DELINQUENT MATERIEL RECEIPT ACKNOWLEDGEMENT

C10.7.1. When materiel shipment is confirmed or when the requisition involves an unconfirmed MRO as described in Chapter 4, the ICP will monitor for receipt of MRA(s). For U.S. Forces' shipments to CONUS activities, ICPs must receive MRA for the total quantity shipped within 12 calendar days from the date released to carrier cited in the DLMS 945A, Materiel Release Advice, or DLMS 856S. For U.S. Forces shipments to OCONUS activities, ICPs must receive MRA within 29 calendar days from the date released to carrier for Transportation Category 1 and 2, 76 calendar days from the date released to carrier for Transportation Category 3, or within 135 calendar days from the DLMS 856S shipment status release date for security assistance requisitions. Otherwise, the ICP will send an MRA Follow-up Transaction for the delinquent MRA to (See Table C10.T2):

C10.7.1.1. The organization that the materiel was shipped to, for U.S. Forces.

C10.7.1.2. The applicable ILCO, for SA requisitions.

C10.7.1.3. The MRA Follow-up timeframes are based upon the ~~existing~~ Time Definite Delivery (TDD) Standards and take into account the wide variation in TDD timeframes based on the Combatant Commands/Regions and the allowed receipt take-up timeframe.[1]

C10.7.1.4. The follow-up time limits for a delinquent MRA are 17 calendar days from the date shipped (date released to carrier) field entry in the MRC or DLMS 856S Pseudo Shipment Status for CONUS, 34 calendar days for OCONUS destinations with Transportation Category 1 and 2, and 81 calendar days for OCONUS destinations with Transportation Category 3. (See Table C10.T2).

C10.7.1.5. Summary of MRA Follow-Up Time Limits. Reporting activities will meet the time limits identified in this chapter. These requirements and timeframes are independent from prescribed shipment tracing and discrepancy reporting requirements and timeframes to which the receiving facility must also adhere. MRA follow-up time limits are summarized in Table C10.T2.

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[1] ***With the knowledge that TDD Standards have changed since ADC 1114 (2015), an analysis was performed in 2019 to determine if MRA Timeframes needed to be adjusted. The analysis showed that TDD Standards have not changed sufficiently to merit adjustment of these timeframe standards. Future analyses may be performed to ensure this remains the case.***

Table C10.T2. <u>Materiel Receipt Acknowledgement Follow-Up Time Limits for ICPs and DLA</u>
<u>Disposition Services</u>

The Time Limits below for an MRA Follow-up reflect the TDD timeframes, which include the transaction processing time, and also allow time for processing a Non-Receipt Materiel Receipt Acknowledgement.	
ACTION	TIME LIMIT[2]
Follow-Up for Delinquent MRA	❑ 17 calendar days from the date shipped (date released to carrier) field entry in the Materiel Release Confirmation (MRC) or Pseudo Shipment Status (DLMS 856S/MILSTRIP legacy DIC ASH) for U.S. Forces shipments (CONUS destination).
	❑ 34 calendar days from the date shipped (date released to carrier) field entry in the MRC or DLMS 856S Pseudo Shipment Status for U.S. Forces shipments (OCONUS destination) for Transportation Category 1 and 2.
	❑ 81 calendar days from the date shipped (date released to carrier) field entry in the MRC or Pseudo Shipment Status (for U.S. Forces shipments (OCONUS destination) for Transportation Category 3.
	❑ 135 calendar days from the date shipped (date released to carrier) field entry in the Pseudo Shipment Status for security assistance shipments.
❑ Means take the action when the time limit is reached.	

C10.7.2. To answer the follow-up, the reporting activity will prepare a MRA following paragraph C10.6. Send the MRA to the ICP within 10 calendar days from the transaction preparation date cited in the follow-up.

C10.7.3. In the event that materiel has not been received because a Navy ship has not yet had the opportunity to physically pick it up (it is awaiting pick up at a Navy Local Logistics Support Center or the Material Processing Center), the Navy ship reporting activity will respond with a MRA Follow-up Transaction containing Discrepancy Indicator Code G. This will signal the ICP to keep the record open and continue to monitor for receipt of MRA(s), and send another MRA Inquiry Transaction after another 45 calendar days have elapsed (which may be responded to with an additional MRA Response to Inquiry Transaction with Discrepancy Indicator Code G if the ship is unable to pick up their materiel from the Navy Local Logistics Support Center or the Material Processing Center). The Navy ship reporting activity may send up to six MRA transactions in response to follow-up, using MRA Response to Inquiry Transaction with Discrepancy Indicator Code G. The Navy ship reporting activity will send an MRA, using DLMS 527R MRA Response to Inquiry Transaction, without the Discrepancy Indicator Code G, once the materiel is received (e.g., picked-up or otherwise delivered directly to the ship), which may include the use of other discrepancy codes as appropriate. If a reply is not received within 45 calendar days from the sixth MRA Response to Inquiry Transaction with Discrepancy Indicator Code G, the ICP will include the delinquency information in the management evaluation report (C10.10). Also, if the requisition involves an unconfirmed MRO (see Chapter 4, (Processing Follow-Ups)), then the ICP will resolve the record as described in Chapter 4 for Force Closed Materiel Release Confirmation).

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[2] Refer to ADC 1114.

C10.7.4. When Component research into a Follow-up For Delinquent MRA identifies that materiel is still in transit, the reporting activity will respond with a MRA Response to Inquiry transaction containing Discrepancy Indicator Code H in record position 63. This will signal the ICP to keep the record open and continue to monitor for receipt of MRA(s), and send another Follow-up For Delinquent MRA transaction after another 45 calendar days have elapsed.[3] If a reply is not received within 45 calendar days from the sixth MRA Response to Inquiry transaction with Discrepancy Indicator Code G, the ICP will include the delinquency information in the management evaluation report (C6.10). Navy afloat units should use Discrepancy Indicator Code H if they determine the materiel is still in transit and not at an MPC.[4]

C10.7.5. Except as noted in C10.7.3., if a reply is not received within 30 calendar days from the MRA inquiry preparation date, the ICP will include the delinquency information in the MRA Management Information Report. Also, if the requisition involves an unconfirmed MRO, then the ICP will resolve the record as described in the procedures in Chapter 4 (Force-Closed Materiel Release Confirmations).

C10.7.6. Administrative Closeout of Open Orders[5]

C10.7.6.1. Administrative Closeout of open orders applies when the wholesale ICP (Source of Supply) receives no MRA. DoD Components may avoid these procedures by providing the MRA transaction at time of receipt or for non-receipt, when the timeframe for receipt has passed. This will ensure the ICP (source of supply) has proper evidence of receipt and subsequently avoids administrative closeout. Components may report any materiel discrepancies even after the submission of the MRA.

C10.7.6.2. When ICP data reveals an MRA was not received within the timeframes identified in Table C10.T2 plus the 10 day reply response timeframe (paragraph C10.7.2), the wholesale ICP (source of supply) may initiate action to close the record. The ICP will initiate internal system procedures and notify the ordering activity of the administrative closeout action using a Supply Status transaction (DLMS IC 870S or equivalent) with Requisition Transaction Status Code D9: Closed. Open order was administratively closed due to non-receipt of a materiel receipt acknowledgement (MRA). This transaction must also include one of two Management Codes: X for shipments from DoD Stock, or Y for shipments made via DVD.

C10.7.6.3. Controlled inventory items (CII) designated with a controlled inventory item code (CIIC) in the Federal Logistics Information System (FLIS) record for the national stock number (NSN) will be excluded from this process. Orders for NSNs coded as CII within FLIS must be systemically excluded from these procedures. In addition to CII, Component wholesale ICPs may develop local policy and thresholds to manage the inherent material and/or financial risk involved in assuming receipt and define their own additional criteria for issuing an MRA closeout Supply Status transaction based upon those risk thresholds.

C10.7.6.4. Ordering Components will develop policy and procedures to manage the inherent material and/or financial risk related to receiving Requisition Transaction Status Code D9,

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[3] Refer to ADC 1114.

[4] Ibid.

[5] *Refer to PDC 1343.*

and define their own criteria for responding. Responses include the submission of an SDR with Discrepancy MRA, TDR, MRA, billing dispute, or other follow-up action to the ICP.

(Intervening text not shown)

C10.10.2.2. The MRA Management information report will include as a minimum:

C10.10.2.2.1. <u>General MRA Management Report Criteria</u>. Documentation of nonresponses for a reporting period to include: the number of qualifying shipments made to an activity (by "ship to" DoDAAC); the number of MRA responses received from that activity; the number of nonresponses. The following sections identify a common report description, how to do additional analysis of the data, and the types of breakdown to be available for MRA responses/non-responses for several different categories and whether detail by individual DoDAAC is available.

C10.10.2.2.2. <u>Capability for Additional MRA Report Analysis</u>

C10.10.2.2.2.1. Most of the MRA reports contain a "Save" link above the report title. Clicking the "Save" link launches the applicable MRA report content in a spreadsheet format for additional analysis

C10.10.2.2.2.2. The MRA reports contain an option from the MRA Report Detail page (after selecting a DoDAAC) to download the entire list of document numbers with associated requisition/initial supply transaction data to an Excel file for additional research.[6]

C10.10.2.2.2.3. Three MRA Reports (MRA 02 Direct Vendor Delivery, MRA 36 Stock Shipment, and MRA 37 DVD and Stock Reports) contain an option to download the entire list of document numbers for the missing MRA data shown on the Detail Reports page. Clicking the "Save Component Missing MRA Data" link will generate a list of Component options to download file for the missing MRA data and will combine the data for CONUS and OCONUS.[7]

C10.10.2.2.2.4. The following data elements are included in the downloadable files:

- Header with Report Month or Date Run (depending on type of report)
  - o Source of Supply RIC included on the header for MRA38 (Source of Supply MRA Stock Summary), MRA39 (Source of Supply MRA DVD Summary) and MRA40 (Source of Supply Stock and DVD Summary)
- CONUS / OCONUS Indicator (MRA02, MRA36 and MRA37)
- Shipment Date
- Document Number
- Suffix
- Supplementary Address[8]

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[6] ADC 1086.

[7] Refer to ADC 1330 Revise MRA Download Reports to Include a Component Summary Option.

[8] This enhancement perpetuates legacy "MILS" data requirements due to the DAAS Micro Automated Routing System (DMARS) which performs transaction level services, such as, validation, editing, routing, imaging, and exception processing, using the 80 record position legacy format.

- Ship-To DoDAAC
- Signal Code[9]
- Bill-To DoDAAC
- Priority
- NSN
- Shipped Quantity
- Unit of Issue
- Unit Price (U/P)
- Total Cost
- Initial Transaction DLMS/MILS, (e.g., requisition or initial supply transaction if no requisition is available per MRA Business Rules/Decision Tree)[10]
- Communication Routing Identifier (COMMRI) of the system from which the requisition or initial supply transaction originated
- COMMRI associated with the Document Number DoDAAC, (e.g., could be a requisitioner/requiring/other activity)
- COMMRI where the Follow-up for Delinquent MRA transaction was transmitted

C10.10.2.2.2.5. MRA41 – Status Code D9: Closed. Open order was administratively closed due to non-receipt of a materiel receipt acknowledgement (MRA).[11]

C10.10.2.2.2.5.1. This provides a single report by Component to conduct analysis of the open orders administratively closed using Status Code D9. Clicking the desired "Save Component Data" link will generate a download file reflecting transaction with Status Code D9.

C10.10.2.2.2.5.2. The following data elements are included in the downloadable file:

- *Header with the Date Run*
- *CONUS/OCONUS (Indicator "C" or "O")*
- *Management Code (Stock = X; DVD = Y)*
- *Source of Supply (Wholesale ICP providing D9 Closed Status)*
- *D9 Status Date*
- *Shipment Date*
- *Document Number*
- *Suffix*
- *Supplementary Address*
- *Ship-To DoDAAC*
- *Signal Code*

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[9] Ibid.

[10] This is the transaction that results in the inclusion in the MRA Report per the MRA Business Rules/Decision Tree (ADC 1088, *Reference d.).*

[11] *Refer to PDC 1343*.

- *Priority*
- *NSN*
- *Shipped Quantity*
- *Unit of Issue*
- *Unit Price*

Enclosure 3

Create new DAAS Report for Status Code D9: Closed. Open order was administratively closed due to non-receipt of a materiel receipt acknowledgement (MRA). A single report by Component will contain a sufficient data to for the Components to conduct analysis of the open orders administratively closed under this new procedure.

Add as a new report to the DAAS MRA Summary Reports menu.
The report displayed will include the transactions where Status Code D9 is received for a given month. The data will be combined for CCONUS and OCONUS; Stock and Direct Vendor Delivery (DVD). This will enable a range of users to sort/filter the data to conduct analysis.

Initial report selection page: Report for Status Code D9: Closed. Open Order Was Administratively Closed Due to Non-Receipt of a Materiel Receipt Acknowledgement (MRA).

Second page: Select Service or Agency for report of Status Code D9: Closed. Open Order Was Administratively Closed Due to Non-Receipt of an MRA

> Save Component Data for Army
>
> Save Component Data for Air Force
>
> Save Component Data for Navy
>
> Save Component Data for Marines
>
> Save Component Data for Coast Guard
>
> Save Component Data for DLA
>
> Save Component Data for Other DOD
>
> Save Component Data for Other

The titles on the second page will be hyperlinks to the individual Component reports and DAAS will include a popup message "Provide the Status Code D9 Data in CSV format" when the cursor is moved over the links.

Detail download report page after selecting the Component on the second page:

Report Content: The new report of Status Code D9: Closed. Open Order Was Administratively Closed Due to Non-Receipt of an MRA will contain the following data elements:

> Header with the Date Run
> CONUS/OCONUS (Indicator "C" or "O")
> Management Code (Stock = X; DVD = Y)
> Source of Supply (Wholesale ICP Providing D9 Closed Status)
> D9 Status Date (Transaction Date)
> Shipment Date (Sending ICP should be able to generate the shipment date)

Document Number

Suffix

Supplementary Address

Ship-To DoDAAC

Signal Code

Priority

NSN

Shipped Quantity (Quantity for which status is provided)

Unit of Issue

Unit Price

The following example shows the proposed report format:

Example Report Format

MRA41 Status Code D9: Closed

Component

Month Year

CONUS/ OCONUS	Management Code	Source of Supply	D9 Status Date	Shipment Date	Document Number	Suffix	SUPPADD	Ship To DoDAAC	Signal Code	Priority	NSN	Shipped Quantity	Unit of Issue	Unit Price

Enclosure 4

DLM 4000.25, Volume 2, Supply Standards and Procedures

Make the following change to Volume 2. Additions are shown in *red bold italics*, and deletions are shown with double strikethrough text.

Appendix 2.6, Management Codes

AP2.6 APPENDIX 2.6

MANAGEMENT CODES

NUMBER OF CHARACTERS: One

TYPE OF CODE: Alpha/Numeric

EXPLANATION: Provides supplemental data not indicated through the transaction coding structure. When a situation exists which is not covered by a code, the Component managing the distribution system may assign Management Codes A thru L (except I), and other codes as specified below, and may prescribe their entry in appropriate transactions. Codes established under this option will not duplicate or circumvent the intent of DoD assigned or reserved codes.

RECORD POSITION: 72

 DLMS SEGMENT/QUALIFIER: LQ Segment, LQ01 Data Element ID 1270 Qualifier "84 – Management Code"

(Intervening text not shown)

AP2.6.2. <u>ISSUE RELATED TRANSACTIONS</u>. Management codes are assigned for use in MILSTRAP issue related transactions (DIC D7_ Issues, DG_ Backorders, and DHA Demands) and MILSTRIP transactions (DIC Code A4_ Referral Orders, A5_ Materiel/Disposal Release Orders, A6_ Materiel/Disposal Release Denials, ACJ Disposal Release Cancellations, AE_ Supply status, AEJ Disposal Supply Status, AFJ Disposal Release Follow-ups, AGJ Reply to Disposal Release Cancellations, AKJ Disposal Release Cancellation Follow-ups, ARJ, ARK, and ARL Deposal Release Confirmations), and related release documentation (when applicable), as indicated below:

(Intervening text not shown)

X	AE6, A4_[12] A6_, D7_[13]	Denied. Consignee, freight forwarder, or country representative has advised that issue of this materiel will constitute a duplicate shipment.
X	*AE_ (AE6 excepted)*	*Assumed receipt from DoD stock. Use only in conjunction with Supply Status Code D9.*
X	All other DICs	Reserved for future DoD assignment.
Y	A6_[14]	Denied. Materiel pre-positioned at a forward site associated with the identified storage activity for Navy industrial activity maintenance operations.
Y	*AE_*	*Assumed Receipt from DVD source. Use only in conjunction with Supply Status Code D9.*
Y	All other DICs	Reserved for future DoD assignment.

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[12] Authorized for use in intra-Army supply status (ADC 191), and subsequently expanded for inter-Service/Agency use (ADC 312). Implementation outside Army applications is pending.

[13] Authorized for use in Army interface with DLA in response to a DLA directed LRO.

[14] Refer to ADC 370, Requisitioning for Off-Station Forward Site Support and New Non-Inventory Affecting Denial Management Code indicating Off-Station Materiel under Navy BRAC SS&D IMSP

Enclosure 5

Revise X12 EDI Implementation Conventions as shown. Additions are shown by bold italics text.

#	Location	DLMS 511M Requisition Modification	Reason
1.	DLMS Introductory Notes	Add ADC 1343 to the DLMS Introductory Note: *ADC 1343, Missing Materiel Receipt Acknowledgement (MRA) Closeout (Supply)*	To identify changes made to the IC.
2.	1/N101/70	Add New qualifier and DLMS Note as follow: *UK System* **DLMS Note: Use to identify the originating system Communications Routing Identifier (COMMRI).**	Identifies the system originating the transaction.
3	1/N103/70	Add New qualifier and DLMS Notes as follow: *C4 Department of Defense Communication Routing Identifier (COMMRI)* **DLMS Note:** *1. Use only when N101 is UK.* *2. At this time a local code C4 is established for use in 511M version 4010. A data maintenance action was submitted to ASC X12 to establish C4 Department of Defense Communication Routing Identifier (COMMRI) in a future version.*	Identifies system originating the transaction. (Corrected Version)

#	Location	DLMS 511R Requisition	Reason
1.	DLMS Introductory Notes	Add ADC 1343 to the DLMS Introductory Note: *ADC 1343, Missing Materiel Receipt Acknowledgement (MRA) Closeout (Supply)*	To identify changes made to the IC.
2.	1/N101/70	Add New qualifier and DLMS Note as follow: *UK System* **DLMS Note: Use to identify the originating system Communications Routing Identifier (COMMRI).**	Identifies the system originating the transaction.
3.	1/N103/70	Add New qualifier and DLMS Note as follow: *C4 Department of Defense Communication Routing Identifier (COMMRI)* **DLMS Note:** *1. Use only when N101 is UK.* *2. At this time a local code C4 is established for use in 511R version 4010. A data maintenance action was submitted to ASC X12 to establish C4 Department of Defense Communication Routing Identifier (COMMRI) in a future version*	Identifies the system originating the transaction. (Corrected Version)

#	Location	DLMS 869F Requisition Follow-Up	Reason
1.	DLMS Introductory Notes	Add ADC 1343 to the DLMS Introductory Note: *ADC 1343, Missing Materiel Receipt Acknowledgement (MRA) Closeout (Supply)*	To identify changes made to the IC.
2.	2/N101/110	Add New qualifier and DLMS Note as follow: *UK System* *DLMS Note: Use to identify the originating system Communications (COMMRI).*	Identifies the system originating the transaction.
3	2/N103/110	Add New qualifier and DLMS Note as follow: *C4 Department of Defense Communication Routing Identifier (COMMRI)* *DLMS Note:* *1. Use only when N101 is UK.* *2. At this time a local code C4 is established for use in 869F version 4010. A data maintenance action was submitted to ASC X12 to establish C4 Department of Defense Communication Routing Identifier (COMMRI) in a future version.*	Identifies the system originating the transaction. (Corrected Version)