



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

February 1, 2021

**MEMORANDUM FOR SUPPLY DISCREPANCY REPORTING (SDR) PROCESS
REVIEW COMMITTEE (PRC)**

**SUBJECT: Approved Standards Change (ADC) 1347A, Addendum to ADC 1347 Mandatory
Closure Notices for Supply Discrepancy Reports (SDR)**

The attached change to DoD Enterprise Business Standards, as outlined in the attachment, is approved for implementation.

Addressees may direct questions to Mr. Ben Breen, Discrepancy/Deficiency Administrator, e-mail: EBSO.SDR@dla.mil. Others may contact their designated PRC representative available at <http://www.dla.mil/HQ/InformationOperations/DLMS/allpoc/>.

THOMAS A. DELANEY
Director, Enterprise Business Standards Office

Attachment
As stated

cc:
ODASD(Logistics)

ADC 1347A
**Addendum to ADC 1347, Mandatory Closure Notices for Supply
Discrepancy Reports (SDR)**

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Enterprise Business Standards Office (EBSO), Mr. Ben Breen, Deficiency/Discrepancy Administrator, e-mail: EBSO.SDR@dla.mil.

2. FUNCTIONAL AREA LOGISTICS AND TRANSACTION CHANGES: Supply Discrepancy Reporting

3. REFERENCES:

a. Approved Defense Logistics Management Standards (DLMS) Change (ADC) 1347, Mandatory Closure Notices for Supply Discrepancy Reports, June 29, 2020

b. DLM 4000.25, Defense Logistics Management Standards (DLMS), Volume 2, Supply Standards and Procedures, Chapter 17, Supply Discrepancy Reporting

4. APPROVED CHANGE(S):

a. Brief Overview of Change:

(1) This addendum will allow the action activity to process an SDR reply/disposition (Transaction Set (TS) Purpose Code 11) changing the cause code after the Closure Notice (CN) has processed.

b. Background:

(1) ADC 1347 enhances communication between the submitting SDR system and the action activity. It documents and expands upon procedures regarding CNs generated for all SDRs regardless of submitting system or activity. The only exceptions to the above is for SDRs with Action Codes 1H (No action required; information only) and 3B (Discrepancy reported for corrective action and trend analysis; no reply required). (Reference 3.a.)

(2) Once a CN is generated on an SDR no further transaction may process against this SDR. However, if the action activity closes the SDR with a cause code and the vendor challenges the cause code originally entered by the action activity, it is plausible that the outcome of the challenge could result in the action activity to change the cause code. In this case, the replacement/revised cause code update will need to post to the closed SDR for only SDR Document Type Codes 6/9/P/W SDRs. Once the cause code has been updated in the record it must be able to update the Supplier Performance Risk System (SPRS). (Reference 3.b.)

c. Approved Change in Detail:

(1) Allow SDR reply/disposition with an updated cause code to transmit after the CN has been processed and update the SPRS system to revise the original cause code processed in SPRS.

(2) This change is only applicable to the below conditions:

(a) Action activity routing identifier code (RIC) is the activity providing the reply,

(b) Transaction Purpose Set Code 11 Reply/Response after the CN, and

(c) SDR Document Type Codes 6/9/P/W.

(3) WebSDR will reject any other subsequent transaction submitted after a CN has processed with Reply Code 952.

(4) WebSDR will reject any CN with a reply code other than 410,411 or 412 with Reply Code 927. The narrative rejection comments will state "Reply Code 410, 411 or 412 are the only authorized reply codes used with CN transactions."

(5) Submitting SDR systems must be able to accept an SDR reply after the CN has closed the SDR without causing rejections.

d. Revisions to Defense Logistics Manuals: Revise DLM, Volume 2, Chapter 17, Supply Discrepancy Reporting, as shown in the enclosure.

e. Approved Transaction Flow: Standard SDR business transactions apply.

5. REASON FOR CHANGE: Allow for changes to the cause code after the SPRS vendor challenge process as needed after an SDR has been closed with the closure notice.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: SPRS will accurately reflect the vendor cause code after the vendor challenge process has been completed.

b. Disadvantages: None.

7. ADDITIONAL COMMENTS TO CONSIDER: Applicable to only SDR Document Type Codes 6/9/P/W SDRs.

8. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: Components to implement upon approval.

9. IMPACT:

a. New/Changes Data Elements: None identified.

b. Automated Information Systems (AIS): Product Deficiency Reporting and Evaluation Program (PDREP), GSA Vision, DLA Distribution Standard System (DSS), Army Logistics Modernization Program (LMP), Air Force Security Assistance and Cooperation (AFSAC), Air Force Wholesale DO35K, Air Force Integrated Logistics System Supply (ILS-S) and DLA Enterprise Business System (EBS) SDR systems must be updated to process SDR replies to change the cause code after the CN has posted. Also, submitting systems must be updated to accept an incoming SDR reply after the CN has posted and closed the SDR.

c. Defense Automatic Addressing System (DAAS): Update WebSDR to reflect changes identified in this change upon approval.

d. Non-DLM Publications: None identified.

11. PSC 1347A Comment Response Table:

Component	Component Responses Received	DLMSO Response
Air Force	<p>Concur with comment.</p> <p>Comments:</p> <p>1. This will reopen the SDR and the last system of record will need to close it out after the change notice. What will be the closeout timeframe for the applicable system? What is the impact, if any, of not closing this out in a timely manner?</p> <p>2. What is the timeline for the systems to support this change for cause code after the CN is posted?</p>	<p>Noted.</p> <p>Response:</p> <p>1. This requirement is for the submitting system to be able to accept an incoming reply 11 when the Cause Code is updated. EBSO expectation is that the Cause Code is updated in the submitting system, there is no timeframe for this and there is not to be any expected follow on action from the submitting system. the goal is for the submitting system to just record the updated Cause Code that is all.</p> <p>2. There is not a definitive timeline, however EBSO would like to have some expected date for implementation, even if it is a year or so out.</p>
Army	Concur without Comment	Noted.
DLA	Concur without comment.	Noted.
USMC	Concur without comment.	Noted.
Navy	Concur without comment.	Noted.
DAAS	Concur without comment.	Noted.
USTRANSCOM	Abstains.	Noted.
ODASD(L)	Concur without Comment	Noted

Enclosure

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

Make the following changes to Volume 2. Additions are shown in *red bold italics* and deletions shown in double strikethrough.

Chapter 17, Supply Discrepancy Reporting

Intervening text not shown

C17.3.12.1.2.5. Completion Notification.¹ The submitting system will use a completion notification, identified by Transaction Set Purpose Code CN in the SDR reply, will be used by the ~~submitter storage activity~~ *submitter* to communicate with the action activity that final action has been taken on an SDR requiring a materiel disposition action. The ~~receiving~~ SDR system *receiving the CN* may close the SDR as well or keep it open for additional actions. Submission of a completion notice is required for all SDRs prepared by the submitter, with the exception of those clearly identified as being provided for information only and requiring no action activity reply (SDR Action Codes 1H or 3B only). The completion notice may not be used to modify originally reported SDR data elements. The following subparagraphs provide more detailed information regarding CN processing.

C17.3.12.1.2.5.1. When a CN processes against an SDR, the SDR cannot be reopened. The CN puts the SDR into a closed status, and signifies the submitter has taken disposition action provided by the action activity. *For SDR Document Type Code 6/9/P/W, WebSDR will process a Reply (Transaction Set Purpose Code 11) only when the action activity determines the cause code needs to be updated after the vendor challenge process has been completed.* WebSDR will reject any *other* subsequent transaction submitted after a CN has processed with Reply Code 952.

C17.3.12.1.2.5.2. CNs can only be generated by the submitting system. WebSDR will reject with Reply Code 950 any attempt to generate a CN for an SDR that did not originate in the submitting system.

C17.3.12.1.2.5.3. The submitter will use a completion notification to inform the action activity that all action is complete using Reply Code 410.

C17.3.12.1.2.5.4. Under selected scenarios, the submitter will provide a completion notice without a response from the owner/manager when the SDR is automatically closed immediately after transmission. SDR Action Codes 1B (Materiel being retained) and 1G (Reshipment not required; item to be re-requisitioned) apply. A completion notice will be provided using Reply Code 410.

C17.3.12.1.2.5.5. The submitting system will prepare a completion notification *using Reply Code 411* to notify the action activity that the SDR has been closed due to zero balance on record. This will not result in an investigation as it is generally the result of processing a release order during the interim period after the SDR was prepared and prior to execution of the disposition instructions. The action activity may close the SDR due

¹ Refer to ADC 1044A Clarification of Business Rules associated with SDR Replies for Status Update and Completion Notification

to the materiel no longer being available. If SDR is a Document Type 9, then the action activity must take further action to locate new procurement materiel.

Intervening text not shown

C17.3.19. Defense Automatic Addressing System (DAAS) SDR Processing

C17.3.19.1. Under DLMS, SDRs are integrated with standard logistics transaction processing through DAAS. DLMS transaction formats are available in ASC X12 EDI or EDI-based XML. Guidance for transaction content is provided in DLMS ICs available on the DLMS IC page. DoD WebSDR will perform the following actions:

Intervening text not shown

C17.3.19.1.2.9. Edit new submission SDRs (transactions and direct input) to enforce the serial number convention that the serial number maximum field length may not exceed 30 characters and may only include alpha numeric (A-Z, 0-9), dashes and forward slashes. Spaces are not allowed. Reject SDRs with serial numbers not meeting this convention using new Reply Code 947 (Transaction Rejected. Invalid serial number length or convention.

C17.3.19.1.2.10. WebSDR will reject with Reply Code 952 any subsequent transaction submitted after a CN has processed **except when the action activity must update the vendor non-compliance cause code once the DOD vendor challenge process is completed for SDR Document Type Codes 6/9/P/W SDRs.**

C17.3.19.1.2.11. WebSDR will reject with Reply Code 950 any attempt to generate a CN for an SDR that did not originate in the submitting system.

C17.3.19.1.2.12. WebSDR will reject with reply code 927 any CN with a reply code other than 410, 411 or 412. The narrative rejection comments will state "Reply Code 410, 411 or 412 are the only authorized reply codes used with CN transactions."