



**DEFENSE LOGISTICS AGENCY
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April 23, 2021

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

**SUBJECT: Approved Standards Change (ADC) 1359, Department of Defense (DoD) Supply
Discrepancy Report (SDR) Response Time Standard Alignment (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, e-mail: EBSO.SDR@dla.mil. Others must contact their designated PRC representative available at: <https://www.dla.mil/HQ/InformationOperations/DLMS/allpoc/>.

THOMAS A. DELANEY
Director, Enterprise Business Standard Office

As stated

cc:
ODASD(Logistics)

ADC 1359

DoD SDR Response Time Standard Alignment

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Technical POC: Mr. Ben Breen, Discrepancy/Deficiency Administrator, e-mail: EBSO.SDR@DLA.MIL.

2. REFERENCE: DLM 4000.25, Volume 2, Supply Standards and Procedures, Chapter 17 Supply Discrepancy Reporting (SDR).

3. APPROVED CHANGE(S): Substantive updates subsequent to staffing are highlighted in green.

a. Brief Overview of Change: This change standardizes SDR response timeframes across the DoD SDR program.

b. Background: Currently DLM 4000.25 Volume 2, Chapter 17 (Reference 2.) states the action activity of the Supply Discrepancy Reporting (SDR) will provide responses at varying time standards. To help facilitate improved SDR metrics within the DoD, clearly defined SDR response times need to be codified.

(1) Approved Change in Detail: Standardize current SDR response time standards as follows: When referring to number of days in DLM 4000.25, Volume 2, Chapter 17, SDR, days are expressed in calendar days, not business days.

(a) Document Type W Transhipper with Action Code 3A (frustrated shipment SDRs). SDR response time standard is 5 days from date of submission.

(b) DLA Disposition Services SDR response time standard is 50 days.

(c) All unique item tracking (UIT) program items or items classified SECRET or above, nuclear weapon related materiel (NWRM) and communication systems. The action activity must provide an interim response or acknowledgment within 24 hours indicating that the SDR is being given appropriate attention and will be followed by a comprehensive response within 25 calendar days (inclusive of sequential processing by multiple action activities when necessary).

(d) Document Type 7 SDRs, 25 days for shipping depot to respond, and if forwarded to ICP 25 days for ICP to respond for a total of 50 days. The Army has a unique business process which directs the SDR to the inventory control point (ICP) due to system limitations in the Logistics Modernization Program (LMP) system. Therefore, the Army total processing time for Document Type 7 SDRs is 50 days.

(e) For all other SDRs, 50 days total response time.

c. **Revisions to Defense Logistics Manuals:** Revise DLM 4000.25, Volume 2, Supply Standards and Procedures, Chapter 17, Supply Discrepancy Reporting as shown in the Enclosure.

d. **Approved Transaction Flow:** Standard SDR transaction flow applies.

4. **REASON FOR CHANGE:** Standardizes SDR response timeframes across DoD.

5. **ADVANTAGES AND DISADVANTAGES:**

a. **Advantages:** Allows a standard SDR response timeframe and removes unnecessary programming logic from DoD SDR systems.

b. **Disadvantages:** None.

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

7. **ADDITIONAL COMMENTS TO CONSIDER:** Misrouting of SDRs may extend total processing time beyond the authorized timeframes.

8. **ESTIMATED TIME LINE/IMPLEMENTATION TARGET:** Components were requested to provide implementation timeline in their staffing responses and no timelines were provided.

9. **ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE:** No specific dollar value can be assessed at this time nor were any provided by the components.

10. **IMPACT:**

a. **New/Changes to Data Elements:** None identified.

b. **Automated Information Systems (AIS):** Components will need to update systems to calculate the correct SDR response timeframe based upon the revised SDR response time standards. 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).

c. **Defense Automatic Addressing System (DAAS):** Update WebSDR to reflect new time standards and adjust automated responses accordingly.

d. **Non-DLM Publications:** N/A.

11. PROPOSED DLMS CHANGE (PSC) 1359 RESPONSE/COMMENT RESOLUTION:

	Component	Response/Comment	Disposition
1.	DLA	Concur with Comment. Comments: 1. 5 days to resolve discrepancies does not account for operations which do not work on holidays or weekends. DLA wishes to increase to 7 calendar days.	Resolved as noted. EBSO Response. 1. Based on discussions with ODASD Logistics and DLA, DLA concurs to keeping the Type W to 5 days.
1.	Navy/PDREP	Concur with Comment. Comments: The following should be added to PSC 1359 to ensure proper process of SDRs: <ul style="list-style-type: none"> • How to calculate due date from misrouted/redirected SDR's • How to calculate due date from Interim Replies (e.g. SDRs in litigation) 	As noted. EBSO response: All current due dates are calculated from the date of an original submission.
2.	Air Force	Concur with comments. Comment: a. In regard to the previous discussion Air Force is good with the change from 5 to 7 days. Just to clarify that will be changed to read 7 calendar days, correct? Official Staffing Comment Response Letter. a. Official Comments: There are recommended updates to verbiage in nine paragraphs. b. Recommended resolution: Update verbiage to reflect recommend comments.	As noted. EBSO response. a. ADC will retain standard timeframe response for Type W SDRs as 5 days. b. Also, chapter language was updated to clarify calendar days instead of business days.
3.	US Army	Concurs with comments. Comments: 1. When AMC decides to move forward with the implementation of the help ticket to update LMP to accept incoming 11 replies and change the routing rules for type 7 SDRs, we can revisit. 2. Document Type 7 SDRs, 25 days for shipping depot to respond, and if forwarded to ICP 25 days for ICP to respond for a total of 50 days. *For Army document type 7 SDRs, 50 days to respond when the SDR is routed directly to the ICP for action.	As noted. EBSO response. 1.EBSO concurs and will continue to work with the Army to have LMP updated to accept incoming SDR reply transactions. 2.Paragraph 4.b.(1).(d) addresses this requirement for applicable to all type 7 SDRs.
4.	USMC	Concur without comment.	As noted.
5.	DAAS	Concur as written.	As noted.

6.	USTRANSCOM	N/A	N/A
7.	GSA	None.	None noted.
8.	ODASD	<p>Concur with Comment.</p> <p>Comment.</p> <p>While the PSC is an important step toward calculating supply discrepancy report (SDR) response time metrics to assess performance and drive improvements, there needs to be discussion with DLA, the Services and OSD on the current time standards, factors that impact the Components' ability to resolve SDRs timely, and steps to improve responsiveness and update the time standards accordingly. Whether as part of the SDR Implementation Team Meetings, or a separate IPT, there should be recurring meetings and a schedule that includes estimated start and completion dates.</p>	<p>As noted.</p> <p>EBSO Response.</p> <p>EBSO and ODASD held several meeting sessions with all Components to address any issues with the proposed time standards in PSC 1359 during focused meetings.</p>

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 are shown with double strike-through text. Renumber as needed.

Chapter 17. Supply Discrepancy Reporting

Preceding text not shown

C17.1.7. Exclusions. The following types of discrepancies are excluded from the provisions of this publication:

C17.1.7.1. Discrepancies found while materiel is in storage. Two exceptions to this exclusion are: 1) short shipment and wrong item discrepancies discovered upon opening a sealed vendor pack may be reported by U.S. Government customers only, and 2) materiel in storage in a sealed vendor's pack that is later discovered to have been shipped with discrepancies relating to item unique identification (IUID) (serial number or unique item identification (UII)). These may be reported as SDRs and are not subject to submission timeframes **standards specified in this chapter**. Refer to IUID discrepancies below.

Intervening text not shown

C17.3.11.2. Submitter Responsibility (including Security Assistance customers). When the action activity does not respond to an SDR within the prescribed timeframes **standards** specified in this chapter, the submitting activity must provide an SDR follow-up. Follow-ups must be directed to the last identified action activity when the original SDR was forwarded by the original recipient. Cite the SDR report number of the original report. For transactional exchange, include the WebSDR-assigned control number when known. Follow-up transactions should include all data that was in the previous SDR submission. POC information for the follow-up and the follow-up date are required. A narrative entry is required to provide clarification for the follow-up. The submitter or DoD WebSDR must forward the follow-up to the current action activity when SDR history indicates a or updated action activity has been identified (such as based upon prior Reply Code 504 or a 300-series reply code)

Intervening text not shown

C17.3.12.1.2.1.1. Interim Replies. Interim replies may be used to inform the submitter that an SDR has been forwarded to another organization for investigation or resolution. Responsible activities must provide an interim reply where a final reply cannot be provided within the established timeframes **standards as specified in this chapter**. Failure to meet the established timeframes **standards** must be caused by reasons outside the control of the ICP/IMM. Such interim replies will identify any other action activities involved and, when feasible, indicate when additional status will be provided. Identify the interim disposition/status using the appropriate reply

code. Interim reply codes in the 300 or 500 series are typically used to designate an interim reply involving forwarding to another organization (Appendix 7.28). The storage activity will provide an interim reply when recommending credit be provided by the source of supply based upon a validated discrepancy. For this purpose, the storage activity will cite Reply Code 525 and forward the SDR using the applicable 300-series applicable to the source of supply for processing of MILSBILLS financial adjustments under Volume 4, Chapter 4. When the storage activity forwards an SDR to the source of supply for action using a 300-series interim reply code, the SDR transaction must be formatted to identify the source of supply RIC as the action activity. WebSDR will provide notification of forwarding action to the SDR initiator. This “forwarding” process and associated format will allow the reply transaction, including the initial responder’s reply remarks, to be transmitted to the new action activity. WebSDR will recognize the new action activity for reports and Web responder role access. If no coding exists to specifically identify the reasons for the delay, select Reply Code 137 and provide a clear-text explanation.

Intervening text not shown

~~C17.3.12.1.2.1.5. Item Manager Forwarding to Defense Contract Management Agency (DCMA). SDRs may only be forwarded to DCMA for action when the contract indicates that DCMA is responsible for inspection or acceptance. SDRs lacking this evidence of the discrepancy will make it difficult for DCMA to support a claim of vendor noncompliance. Therefore, if the SDR submitter did not provide evidential matter substantiating the discrepancy at time of creation, the item manager will reply to the SDR submitter and request additional information using Reply Code 104. The item manager will annotate in SDR remarks requesting photographs or documentation supporting the discrepancy reported. DLA Distribution Centers will reply to the request for evidence of the discrepancy using a Status Update with Reply Code 321. Customers (or others lacking status update functionality) must provide an SDR Correction in response to the request. SDR submitters may upload attachments via SDR if their SDR system does not provide attachment functionality. DCMA is required to reply to SDRs forward for action (Reply Code 501) within 25 days. If DCMA is unable to conclude their investigation within 25 days, DCMA will generate an interim response (e.g., citing Reply Code 503 or 515) indicating the expected timeframe for closure.~~

Intervening text not shown

C17.3.12.1.2.4. Denials. SDRs not meeting the reporting criteria or timeframes **standards** specified in this chapter or not including sufficient justification, may be considered for information only, or denied, as appropriate. DoD ICP/IMM action activities are encouraged to accept late submissions lacking justification for trend analysis/corrective action; with associated financial credit provided at the discretion of the action activity. The responsible activity will use the SDR response and cite the appropriate disposition/status (reply) code.

Intervening text not shown

C17.3.13. Time Standards

C17.3.13.1. Submitting SDRs and SDR Responses. This section provides ~~standard timeframes~~ **standards** for submission of SDRs and SDR responses. **When referring to number of days in this chapter, days are expressed in calendar days, not business days.**

C17.3.13.1.1 Timeframes Standards for SDR Submission by Non-Security Assistance Customers. An SDR will be submitted by receiving activities and/or transshipment activities as soon as possible, but not later than the time standards listed below. SDRs not meeting the reporting criteria or timeframes **standards** specified in this ~~guidance~~ **chapter** that do not present sufficient justification will be processed for information only. Routine time standards, special rules, and exceptions are:

Intervening text not shown

C17.3.13.2. Time Standards for SDR Response. Responsible action activities will reply to all SDRs received within the following time standards. Interim responses will be provided when extenuating circumstances necessitate additional processing time **as authorized in this chapter. Refer to Table C17.T3. When referring to number of days in this chapter, days are expressed in calendar days, not business days.**

Table C17.T3. SDR Response Time Standards.¹

Type of Time Standard	Number of Days
Standard Response: (Includes DLA Disposition Services)	50 Days
Exceptions to Standard Response Times	
Document Type Code W Transshipper SDR with Action Code 3A (frustrated shipment SDRs)	5 Days
Document Type Code 7 Customer SDRs, Shipping Depot Response	25 Days When forwarded to ICP for additional response add 25 days for a total of 50 days)
All UIT Program Items Items Classified SECRET or above, Nuclear Weapon Related Materiel (NWRM) Communications Systems	24 hours, initial interim response, or acknowledgement. 25 Days, final
Note 1: SDR Response Time Standards are based upon the original submission date.	
Note 2: Misrouting of SDRs may extend total processing time beyond the authorized response time standard.	
Note 3: Army total processing time for Document Type 7 SDRs is 50 days	

¹ Refer to ADC 1359.

~~C17.3.13.2.1. Discrepant materiel classified SECRET or above, or nuclear weapon related materiel (NWRM) (shortage/overage/wrong item/mismatched IUID/misdirected): The action activity must respond to the discrepancy report within 24 hours and must take appropriate corrective actions to preclude additional recurrences of the discrepancy. When the discrepancy requires further research for resolution, the action activity must provide an interim response within 24 hours indicating that the SDR is being giving appropriate attention and will be followed by a comprehensive response within 15 business days (inclusive of sequential processing by multiple action activities when necessary). **All UIT Program items, or items classified SECRET or above, nuclear weapon related materiel (NWRM) and communication systems. The action activity must provide an interim response or acknowledgment within 24 hours indicating that the SDR is being giving appropriate attention and will be followed by a comprehensive response within 25 calendar days (inclusive of sequential processing by multiple action activities when necessary).**~~

Intervening text not shown

~~C17.3.13.2.5. SDRs for materiel identified in Supply Condition Code (SCC) K, Suspended (Returns): Action activities will coordinate with the receiving depot, as needed, and provide a SDR reply within 50 days directing reclassification within the MILSTRAP time standard.~~

~~C17.3.13.2.6. Distribution centers will respond to SDRs submitted directly to the shipping activity within 25 calendar days. Responses from distribution centers may be confirmed or superseded/corrected by a later response when Component business rules require sequential processing by the source of supply and the finance center.~~

~~C17.3.13.2.7. ICP/IMMs will respond to SDRs submitted directly to the source of supply within 50 calendar days. Where sequential process by distribution center and ICP/IMM are required, total processing time will not exceed 50 calendar days.~~

C17.3.13.2.8⁵. Action activities receiving SDRs inappropriately will make every effort to forward to the correct action activity within 5 calendar days. ~~Customers should be aware that microuting of SDRs may extend total processing time beyond the authorized 50 calendar day processing time.~~

~~C17.3.13.2.9. Turn-in activities receiving SDRs from DLA Disposition Services for turn-in of partial weapons lacking the required list of missing parts or a signed statement certifying that the weapons have missing parts will respond to the SDR within 25 days. DLA Disposition Services will attempt to contact the turn-in activity off-line, but there will be no SDR follow-up.~~

~~C17.3.13.2.10. DCMA will respond to SDRs forwarded for action within 25 calendar days.²~~

Intervening text not shown

C17.3.11. Follow-Up on Original SDR

C17.3.11.1. Table C17.T34 identifies the SDR Follow-up Time Standards. The time standards are displayed in **calendar** days unless specified.

Table C17.T34. SDR Follow-up Time Standards
(Table content not shown)

Intervening text not shown

C17.3.19.12. The DLMS SDR transaction supports various data fields that may include special characters (e.g. SDR remarks text). WebSDR will reject/fail to process transactions containing special characters that are unacceptable/ reserved for use as XML parsers. Table C17.T45 defines allowable and unacceptable special characters. Any characters not specifically identified in these lists should not be used.³

Table C17.T45. Special Characters
(Table content not shown)

² Refer to ADC 1181A.

³ See ADC 1127, Enclosure 1