April 24, 2020

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management Standards (DLMS) Change (ADC) 1366, 567C Contract Closeout Transaction, Clarify AMT Segment Notes

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

      Addressees may direct questions to Ms. Tonja Daniels-Carter, Enterprise Business Standards Office (EBSO), email:  Tonja.Daniels-Carter@dla.mil or Mr. Kristopher Fromm, email: Kristopher.Fromm@dla.mil.  Others must direct questions to their Service or Agency designated PRC representative available at http://www.dla.mil/HQ/InformationOperations/DLMS/allpoc/.

                                     TERESA W. SMITH
                                     Director, Strategic Data Services
                                     DLA Information Operations

Attachment
As stated

cc:
OSD(DPC)
ODASD(Logistics)

# Attachment to ADC 1366
# 567C Contract Closeout Transaction, Clarify AMT Segment Notes

**1.  ORIGINATING SERVICE/AGENCY AND POC INFORMATION:**  Enterprise Business Standards Office (EBSO), Tonja Daniels-Carter, email: Tonja.Daniels-Carter@dla.mil or Kristopher Fromm, email: Kristopher.Fromm@dla.mil

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

    **a.  <u>Primary/Secondary Functional Area</u>:**  Procurement Integrated Enterprise Environment (PIEE)

    **b.  <u>Primary/Secondary Functional Process</u>:**  Contract Administration

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

| ☑ | Category | ☑ | Category | ☑ | Category |
|---|---|---|---|---|---|
|  | Billing |  | Physical Inventory | X | 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.**  DLMS Implementation Convention (IC) 567C, DLMS Contract Completion Statement/ Unclosed Contract Status/Contract Close-out, dated November 30, 2017

    **b.**  DLM 4000.25, Volume 7, Chapter 4, Contract Completion Status Reporting

**4.  APPROVED CHANGE(S):**

    **a.  <u>Brief Overview of Change</u>:**  This change will clarify the intent of the DLMS 567C, 1/AMT/060 segment is to identify left over funds or an overpayment.

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

        **(1)**  The DLMS 567C Contract Completion Statement/Unclosed Contract Status/Contract Close-out (Reference 3.a.) is used for contract completion status reporting.  The EBSO is reviewing and validating many of the DLMS transactions for validity and legacy data

elements no longer required by the Services.  During the review process, EBSO noticed notes in the 1/AMT/060 segment did not accurately convey the requirement and needed clarification.

     **(2)**  For the benefit of reviewers, the extract below is from DLM 4000.25, Volume 7, Chapter 4 (Reference 3.b.) and provides background on Unliquidated Amount and Contract Over Payments:

> *"C4.5.5.  Unliquidated Amount.  The unliquidated amount is money that was obligated on the contract but not spent.  In all cases, the final contract completion statement must include any unliquidated amount that remains on the contract or order after final payment has been made. The unliquidated amount is the remainder of the accumulated amounts paid, as netted by all collections, subtracted from the amount obligated on the contract by any contract modifications, and adjusted by deductions and all variance codes.  The unliquidated amount must be conveyed in the AMT data segment of the CS loop in the DLMS 576C and will appear only when an unliquidated amount remains on the contract.  The accountable activity must reclaim this money before the PO closes the contract.*
>
>   *C4.5.6.  Contract Over Payments.  Contract over payments can occur when the contract contains the quantity variation clause, FAR 52.211-16 Variation in Quantity, and contractors deliver a quantity within the overage quantity permitted.  In this instance, the contract funding is deficient and additional funds must be obligated before the contract can be closed.  The deficient funds may be cited in the AMT segment and identified by Code C in AMT03."*

   **c.**  **Approved Change in Detail:**  Revise the noted in the DLMS 567C, 1/AMT/060 segment to clarify the data content.  See Enclosure 1

   **d.**  **Revisions to DLM 4000.25 Manuals:**  None

   **e.**  **Transaction Flow:**  No Change

   **f.**  **Alternatives:**  None – Notes require clarification

**5.  REASON FOR CHANGE:**  Clarify notes in the DLMS 567C, 1/AMT/060 segment.

**6.  ADVANTAGES AND DISADVANTAGES:**

   **a.**  **Advantages:**  Clarifies notes

   **b.**  **Disadvantages:**  None

**7.  ESTIMATED TIME LINE/IMPLEMENTATION TARGET:**  Upon approval.  No procedural changes are required nor are any system changes required.

**8.  ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE:**  None

**9.  IMPACT:**

    **a.  New DLMS Data Elements:**  None

    **b.  Changes to DLMS Data Elements:**  None

    **c.  Automated Information Systems (AIS):**  None

    **d.  Defense Automatic Addressing System (DAAS):**  None

    **e.  Non-DLM 4000.25 Series Publications:**  None

**10.  PROPOSED DLMS CHANGE (PDC) 1366 RESPONSE COMMENT RESOLUTION:**

|  | Component | Response/Comment | Disposition |
|---|---|---|---|
| 1. | OSD(DPC) | Concur without comment | As noted |
| 2. | US Army | None | As noted |
| 3. | US Navy | Concur without comment | As noted |
| 4. | USMC | Concur without comment | As noted |
| 5. | US Air Force | None | As noted |
| 6. | DLA | None | As noted |
| 7. | DAAS | None | As noted. |

**Enclosure, 567C DLMS IC Change Table**

| # | Location | DLMS 4010 567C<br>Contract Completion Statement/ Unclosed Contract Status/Contract Close-out<br>Revision | Reason |
|---|---|---|---|
| 1. | DLMS Introductory Note | <u>Add ADC 1366 to DLMS Introductory Note 7 with the following:</u><br><br>*- ADC 1366, 567C Contract Closeout Transaction, Clarify AMT Segment Note* | Adds change to the introductory note. |
| 2. | 1/AMT/060 | <u>Revise the Segment DLMS Note:</u><br><br>**DLMS Note:**<br><br>1. Use in 1/CS/050 loops to indicate either the unliquidated funds amount left over after contract completion or an overpayment to the Contractor *(i.e. AMT03 = C)*. **If AMT03 is not used, the dollar amount in AMT02 will convey the Debit/Excess funds.**<br>2. Do not use in cancellations, or when CS05 cites either code D or E. | Clarify the monetary amount format. |
| 3. | 1/AMT02/060 | <u>Revise the DLMS Note:</u><br><br>**DLMS Note:** Express as a ~~whole~~ number with an explicit decimal *point* ~~position~~ as needed *to indicate cents*. | Clarify the monetary amount format. |
| 4. | 1/AMT03/060 | <u>Revise the DLMS Note;</u><br><br>C Credit<br><br>**DLMS Note:** Use to indicate the amount cited in AMT02 is an over payment to the contractor~~, NOT excess funds~~. | Clarify the use of the C Credit. |