



DEFENSE LOGISTICS AGENCY
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IN REPLY
REFER TO J627

December 07, 2010

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 368, Procedures and Assignment of Navy DODAACs to DLA for Use on DLA Requisitions to Military Service/GSA Sources of Supply (SoSs) in Support of Navy Industrial Activities (IAs) under BRAC SS&D/IMSP (Supply/DoDAAD) (Staffed as PDC 385)

The attached change to DOD 4000.25-M, DLMS, is approved for implementation.

DLA J-33 will provide procedures for the Navy BRAC SS&D/IMSP processes for inclusion in DOD 4000.25-M, DLMS, Volume 2. Depending on DLA's approach, the overall procedures will either be published under a separate ADC as a chapter to the DLMS manual, or specific procedures for each process may be published as addendums to the various Navy BRAC SS&D/IMSP ADCs.

Addressees may direct questions to Ms. Ellen Hilert, Co-Chair, Supply Process Review Committee, e-mail: ellen.hilert@dla.mil. Others must contact their Component designated representative.

A handwritten signature in cursive script that reads "Donald C. Pipp".

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
cc:
ODASD(SCI)
DoDAAD PRC

Attachment to ADC 368
Procedures and Assignment of Navy DODAACs to DLA for Use on DLA
Requisitions to Military Service/GSA SoS in Support of Navy IAs under BRAC SS&D/IMSP

1. **ORIGINATOR:** Defense Logistics Agency, DLA, J-3311, DSN 221-2691

2. **FUNCTIONAL AREA:** Supply/DoDAAD

3. **REFERENCES:**

a. Functional Requirements for DLA's implementation of Base Realignment and Closure (BRAC) Retail Supply, Storage And Distribution (SS&D)/Inventory Management and Stock Positioning (IMSP) Spiral II.

b. AT&L Memorandum transmitted April 21, 2010, subject: Proposed Changes in support of Navy BRAC Inventory Management and Stock Positioning (IMSP) Spiral II. This memorandum documents ODASD(SCI) direction provided to DLA and Navy authorizing immediate implementation of this DLMS change.

c. DLA J627 Memorandum dated November 03, 2010, subject: Proposed Defense Logistics Management System (DLMS) Change (PDC) 428, Advice Code 2W for Free Issue. This PDC modifies business rules for the use of Advice Code 2W.

4. **REQUESTED CHANGE.** Yellow highlighting identifies revisions subsequent to staffing.

a. **Description of Change:** This change requires assignment of Navy (N-series) DoDAACs for DLA's use under BRAC SS&D/IMSP and documents associated procedures. DLA will control and assign document numbers using these unique Navy DODAACs when requisitioning from other SoSs in support of Navy industrial activities (IA) including Navy Shipyards (NSYs) and Fleet Readiness Centers (FRCs). This change establishes a new business process for Navy BRAC IMSP requisitioning. It impacts DAAS routing rules and establishes DAAS rules for creation of supply and shipment status associated with these requisitions. Other DoD Components processing rules are not impacted. Comment resolution/concurrence is provided at Enclosure 2.

b. **Background:** As a result of the 2005 BRAC decision, Retail SS&D functions and associated infrastructure supporting Service industrial/maintenance sites will transfer to DLA. DLA will be submitting DLA-funded requisitions to other Services to procure materials that will be pre-positioned at strategic locations until the artisans at the NSYs and FRCs begin specific maintenance jobs and submit funded-requisitions for these assets from DLA. DLA will be purchasing the materials; however DLA is not the actual end user, and does not maintain interchangeability and substitutability (I&S) data for NSNs managed by other Sources of Supply (SoSs).

c. **Detailed Procedures:**

(1) DLA will be the material provider for all standard and non-standard, DLA managed and non-DLA managed, consumable material required for fulfillment of IA requisition alerts¹

¹ The requisition alert transaction allows Navy BRAC IMSP sites to notify DLA of their requirements in advance of the

by redistribution, material purchases both onsite, at DSCR/DSCC/DSCP or local manufacture to support the BRAC designated IA's operation, maintenance, and production.

(2) The IA will perform the material determination within the local planning system. When no assets are available locally and the item is considered a consumable item, an unfunded requisition alert will be generated to DLA. DLA will evaluate the industrial sites requisition alert to determine the appropriate method of fulfillment.

(a) For FRCs, if DLA-owned assets are not available, and the NSN on the requisition alert is managed by a SoS other than DLA, Enterprise Business System (EBS) will create and send an outbound DLA funded-requisition to the SoS to obtain the required NSN and quantity.

(b) For NSYs (including off-station forward site requisition alerts), if unprotected DLA- owned assets are not available at the co-located distribution depot, DLA will submit a DLA requisition to the Navy Enterprise Resource Program (ERP) (Routing Identifier = NRP) for availability of Real-time Reutilization Asset Management (RRAM)² system free issue assets. See processing rules for RRAM at Enclosure 1.

(c) **IA Worksite Support.** When DLA requisitions to other SoSs are created for shipment to the IA worksite, a DLA document number using the new unique Navy/DLA DoDAAC (N_DLA³) will be used. The requisitioner and ship-to DoDAAC will be the new Navy/DLA DoDAAC. This ensures shipping is direct to the IA worksite and billing will be to DLA. The requisition will cite Signal Code 'C' (indicating materiel is to be shipped to the requisitioner and billed to the fund code) or Signal Code 'D' (indicating materiel is to be shipped to the requisitioner, no billing applicable) and Advice Code '2W' (indicating free issue only (partial fill allowed/no backorder of unfilled quantity)). DLA funds will be identified by the Fund Code. The media and status (M&S) code will direct all supply status and Materiel Obligation Validation (MOV)⁴ transactions to the DODAAC listed in the Supplementary Address field (M&S Code U=100% supply and shipment status to the supplemental address by Defense Message System (DMS)). The Requisition Priority, Required Delivery Date, Distribution Code, Project Code, and Advice Code from the original Navy requisition alert or funded requisition submitted to DLA will be perpetuated on the outbound DLA requisitions.

(d) **Off Station Support.** When DLA requisitions to other SoSs are created for shipment to an IA forward site for off-station support⁵, a DLA document number using the new unique Navy/DLA DoDAAC (N_DLA) will be used. The format used will be different depending upon the material manager.

funded requisition, thereby allowing DLA to procure and position materiel appropriately to support prompt order fulfillment. Refer to ADC 381 for the procedures and content of the DLMS Requisition Alert.

² The Navy RRAM application provides a mechanism for automated requisitioning of residual (excess) assets. NSY sites (but not FRCs) are entitled to RRAM support under Navy business rules.

³ This structure is tentative.

⁴ Refer to ADC 369, Alternative Procedures for Materiel Obligation Validation (MOV) under Navy BRAC SS&D/IMSP, for procedures to be used in performing MOV for the unique N_DLA DoDAACs.

⁵ Refer to ADC 370, Requisitioning for Off-Station Support and New Non-Inventory affecting Denial Management Code indicating Off-Station Materiel and associated Procedures under Navy BRAC SS&D IMSP.

1. When the manager is Navy the requisition from DLA will reflect:

- The new N0*DLA DoDAAC as the requisitioner;
- The forward site's NSY DoDAAC in the ship-to/supplementary address;
- Signal Code L (ship-to supplementary address and bill-to the fund code);
- A fund code associated with a DLA line of accounting and a DLA DoDAAC to receive the interfund bill;
- A new Distribution Code 5 (associated with the DLA DoDAAC for distribution of status and MOV); and
- Media and Status Code 0.

2. When the service manager is NOT Navy the requisition from DLA will reflect:

- The new N__DLA DoDAAC as the requisitioner;
- The forward site's NSY DoDAAC in the ship-to/supplementary address;
- Signal Code M (ship-to supplementary address and no billing required);
- Advice code: 2W indicating not to backorder any unfilled quantity
- A new Distribution Code 5 (associated with the DLA DoDAAC for distribution of status and MOV); and
- Media and Status Code 0.

This combination of transaction structure and DAAS business rules will allow materiel to be shipped directly to the forward site while DLA continues to receive supply and shipment status to perform necessary logistics functions.

(e) DLA requisitions that are assigned document numbers beginning with the Service/Agency Code N (using the new unique DLA/NAVY DoDAAC (N__DLA)) will allow recognition of the Navy as the end customer. This will:

1. Prompt the SoS to apply Navy interchangeability and substitution (I&S) rules when supporting these requisitions.

2. Prompt RRAM to authorize access to RRAM assets as a potential source for free-issue material to support shipyards without making changes to the RRAM legacy system.

3. Preclude the SoS from associating the requirement with DLA and providing inappropriate Supply Status DS (Requisition received for an item for which your Service is not a registered user. Issue action is being processed. Request action be taken to register your Service as a user using the procedures outlined in DoD 4100.39-M (FLIS Procedures Manual).

4. Preclude the SoS from associating the requirement with DLA and providing inappropriate Supply Status CC (Nonconsumable item. Your Service is not a registered user. Submit your requisition to your Service ICP for registration action.)

5. Preclude the Source of Supply from applying edits for other than Navy customers.

(f) There will be seven new Navy DODAACs assigned for DLA use,

one for each of the three FRCs and one for each of the four NSYs. Since these are Navy DODAACs, each one will begin with Service/Agency Code=N and will be updated to the DAAS DoD Activity Address Directory (DoDAAD) in coordination with DLA. DLA will control the assignment of these DODAACs in EBS for use on outbound requisitions to support Navy IAs. The Navy locations to be associated with the seven new DODAACs assigned for DLA use are:

- N01DLA = FRC EAST Cherry Point
- N02DLA = FRC SOUTHEAST Jacksonville
- N03DLA = FRC SOUTHWEST San Diego
- N04DLA = NNSY Norfolk
- N05DLA = PSNS&IMF Puget Sound
- N06DLA = PHNSY&IMF Pearl Harbor
- N07DLA = PNSY Portsmouth

d. Distribution Code will be assigned to DLA **DoDAAC SL4701** to support for 2005 BRAC decision.

<u>CODE</u>	<u>DEFINITION</u>
5	Inter-Component use with Service/Agency Code N to identify a DLA DoDAAC to receive supply and shipment status and materiel obligation validation (MOV) for DLA-funded Navy requisitions to other Services under industrial activity support agreement .

e. Alternatives: Assignment of a new Category C Project Code to identify Navy as the end user (cited on DLA requisitions using only DLA-series DoDAACs) was originally proposed by DLA. ODASD(SCI) rejected this concept as overly complex as it would require not only very complex programming for DLA and the Navy to look at a project code vice DoDAAC to determine requisitioner /processing, but would also require reprogramming of all other Services systems and for the same reason. To lessen the impact, ODASD(SCI) recommended that DLA/Navy assign a new unique Navy DoDAAC for each of the FRCs and NSYs and change EBS to recognize these unique DoDAACs as “DLA” DoDAACs and process accordingly. The DLA S-series DoDAAC would then be carried as the supplemental DoDAAC in the requisition and the requisition would be coded in a manner such that billing and status would be directed to the DLA DoDAAC as required by DLA. This will enable all other systems to work as they do today and should minimize any rework beyond EBS being able to process these transactions as they would DLA transactions.

5. REASON FOR CHANGE: As a result of BRAC 2005, DLA will be submitting requisitions to other sources of supply for materials in support of Navy FRCs and NSYs. DLA is not the end-user of the material and is not registered as a Secondary Inventory Control Activity (SICA). This change will associate DLA requisitions to the Navy as the actual end-user which would result in positive supply support I&S considerations and access to RRAM assets.

6. ADVANTAGES AND DISADVANTAGES:

a. Advantages: EBS will be able to comply with DLMS standards for the IMSP process. This change, when compared to the alternative, reduces the impact to other SoS systems.

b. Disadvantages: Non-standard process.

7. Impact:

a. Implementation Schedule: December 2010.

b. Policy Impact: The concept documented in this ADC to accomplish the DLA/Navy requirement has been approved by ODASD(SCI).

c. Transportation Billing Procedures: Refer to comment resolution.

d. DLMS Data Content: There are no new DLMS data elements associated with this change. A new code value is assigned for the Distribution Code as shown above.

e. DAASC Mapping/Procedures:

(1) No revisions to DAAS mapping.

(2) DAAS change will be required to follow DLA procedures for routing the requisition to the current SoS under FLIS (in lieu of current Navy procedures for passing the requisition to the activity identified by the Routing Identifier-To).

(3) DAAS will need to create a copy of supply and shipment status for DLA requisitions using unique N__DLA DoDAACs when the ship-to is not the IA worksite.

f. Publications: Procedures must be documented for the DLMS manual and will be provided upon approval of requested change.

Enclosure 1, Processing Rules for RRAM/NERP

Processing Rules for RRAM/NERP				
RRAM Material Status	Material Cognizance (COG)	DLA-assigned Signal Code	Navy ERP 1.1 (NRP) Action	DLA Enterprise Business System (EBS) Action
Available	All non-DLA Consumable Cog Material (less 3B/9B)	C or L	<ol style="list-style-type: none"> 1. Process as free issue 2. Provide BN Status (requisition processed as free issue) to fund code addressee (SL4701) 3. Direct free issue 	<ol style="list-style-type: none"> 1. Process BN status (deobligate funds) and provide BN status to NSY for corresponding NSY Requisition Alert document number 2. Provide pre-positioned materiel receipt document (PMRD) for unique DoDAAC (N_DLA) document number, including NSY Requisition Alert document number, NSY RIC ownership, to IA Work Site
Available	DLA Consumable Material (3B/9B)	M or D	<ol style="list-style-type: none"> 1. Process as free issue 2. Provide BN Status to Distribution code addressee SUPADD (DLA SL4701) 3. Direct free issue 	<ol style="list-style-type: none"> 1. Process BN status and provide BN status to NSY for corresponding NSY Requisition Alert document number 2. Provide pre-positioned materiel receipt document (PMRD) for unique DoDAAC (N_DLA) document number, including NSY Requisition Alert document number, NSY RIC ownership, to IA Work Site
Partial Available	DLA Consumable Material (3B/9B)	M or D	<ol style="list-style-type: none"> 1. Provide BN Status-for available quantity to Distribution Code addressee. to SUPADD (DLA SL4701) 2. Direct free for partial issue 3. Provide CM (rejected – not available for free issue) for unavailable quantity to Distribution Code addressee. to SUPADD (DLA SL4701) 	<ol style="list-style-type: none"> 1. Process BN status for partial free quantity available and provide BN status for partial quantity to NSY for corresponding NSY Requisition Alert document number 2. Create PMRD for partial free quantity for unique DoDAAC (N_DLA) document number with NSY Requisition Alert document number, NSY RIC ownership, to the IA Work site 3. Process CM status for unavailable free quantity & initiate DLA internal sourcing logic for the unavailable free quantity.
Partial Available	Navy Consumable Material (1H/3H)	C or L	<ol style="list-style-type: none"> 1. Provide BN Status for available quantity to fund code addressee 2. Direct free issue 3. Suffix for remaining balance. If remaining balance is available, direct issue with BA (processed for shipment) status; if remaining balance is not available provide BB (back ordered) status to Fund code addressee 	<ol style="list-style-type: none"> 1. Process BN status for partial free quantity available and provide BN status to NSY for corresponding NSY Requisition Alert document number 2. Create PMRD for partial free quantity for unique DoDAAC (N_DLA) document number with NSY Requisition Alert document number, NSY RIC ownership, to the IA Work site 3. Process BA or BB status for remaining quantity & provide BA or BB status to NSY for corresponding NSY Requisition Alert document number

Processing Rules for RRAM (Continued)

RRAM Material Status	Material Cognizance (COG)	DLA-assigned Signal Code	Navy ERP 1.1 (NRP) Action	DLA EBS Action
Partial Available	Navy Consumable Material (1H/3H)	M or D	1. Provide BN Status for available quantity to Distribution Code Addressee 2. Direct free issue 3. Generate CM Status (cancellation) for unavailable free quantity & send Distribution Code Addressee	1. Process BN status for partial free quantity available and send BN status to NSY for corresponding NSY Requisition Alert document number 2. Create PMRD for partial free quantity available for SL4701 (BN status) document number with NSY Requisition Alert document number, NSY RIC ownership code & send to the DSS IA Work Site 3. Process CM cancellation status & initiate EBS sourcing logic for the unavailable free quantity
Partial Available	Other than DLA & Navy Service/ Agency Managed Materiel	C or L	1. Provide BN Status for partial available free quantity & send to Fund Code Addressee 2. Direct material issue & shipment 3. Refer unavailable free quantity & provide BM status to Fund Code Addressee.	1. Process BN status for partial quantity available and send BN status to NSY for corresponding NSY Requisition Alert document number 2. Create PMRD for partial quantity for SL4701 (BN status) document number with NSY Requisition Alert document number, NSY RIC ownership code & send to DSS IA Work site 3. Process BM status & and send BM status to NSY for corresponding NSY Requisition Alert document number
Partial Available	Other than DLA & Navy Service/ Agency Managed Materiel	M or D	1. Provide BN Status for partial available free quantity & send to EBS 2. Direct material issue & shipment 3. Provide CM (cancellation) for unavailable free quantity & send to EBS	1. Process BN status for partial quantity available and send BN status to NSY for corresponding NSY Requisition Alert document number 2. Create PMRD for partial free quantity for SL4701 (BN status) document number with NSY Requisition Alert document number, NSY RIC ownership code & send to DSS IA Work site 3. Process CM cancellation status & initiate EBS sourcing logic for the unavailable free quantity
Not Available	DLA Consumable Material (3B/9B)	M or D	Provide CM (cancellation) for not available free quantity & send to EBS	Process CM cancellation status & initiate EBS sourcing logic for the not available free quantity
Not Available	Navy Consumable Material (1H/3H)	C or L	Issue or back order not available free quantity & provide BA or BB status to EBS	Process BA or BB status for not available free quantity & send BA or BB status to NSY for corresponding NSY Requisition Alert document number
Not Available	Navy Consumable Material (1H/3H)	M or D	Provide CM (cancellation) for not available free quantity & send to EBS	Process CM cancellation status & initiate EBS sourcing logic for the not available free quantity
Not Available	Other than DLA & Navy Service/ Agency Managed Material	C or L	Refer not available free quantity to Other Service/Agency source of supply & provide BM status to EBS	Process BM status for not available free quantity & send BM status to NSY for corresponding NSY Requisition Alert document number
Not Available	Other than DLA & Navy Service/ Agency Material	M or D	Generate CM (cancellation) for not available free quantity & send to EBS	Process CM cancellation status & initiate EBS sourcing logic for the not available free quantity

Enclosure 2, DLMS Change Concurrence/Comment Resolution

	Submitter	Response	Response
1.	DLA	<p>Concur</p> <p>1 There are some key questions being raised in the ops area in DLA. Namely:</p> <p>Who will be the DODAAC Monitor for these DODAACs?</p> <p>Will there be procurement authority assigned to these DODAACs?</p>	<p>1. Navy Central Service Point (CSP) will input the new DoDAACs after coordination with DLA.</p> <p>2. The DoDAAC Authority Code will authorize requisitioning. If DLA requests, a new DoDAAC authority code could be developed that identifies these DODAACs that begin with an "N" as "Use only for Requisitions that are originated by DLA for delivery to Navy Industrial Activities."</p> <p>3. The plan is to publish procedures in the DLMS manual regarding authorized use of these DoDAACs.</p>
2.	Navy	<p>Concur</p> <p>1. Editorial - Correct Navy ERP Routing Identifier</p> <p>2. In section 6.d.2 (copied below), there is a specific distinction between DLA routing and Navy passing processes for purchase orders. We are not familiar with DLA routing.</p> <p>"DAAS change will be required to follow DLA procedures for routing the requisition to the current SoS under FLIS (in lieu of current Navy procedures for passing the requisition to the activity identified by the Routing Identifier-To)."</p> <p>From the context of the document and the wording, the best I can conclude is the DLA routing is:</p> <p>NSY PO is created and sent to DLA for fulfillment. DLA does not have the material and instead of forwarding the PO on to RRAM, DLA will create a new PO in EBS with the NEW PO # to request the material from RRAM. Responses from RRAM are forwarded back to DLA (either the specific DODDAC or EBS) depending on the material. From there, DLA will send a response back to the NSY PO.</p>	<p>1. Corrected (NRP)</p> <p>2. I assume by PO you are referring to the requisition alerts (unfunded requisition). If so then yes. There are no funds associated on the request from Navy to DLA. When DLA requests material from another Service it becomes DLA funded and all status comes to DLA.</p> <p>3. In addition regarding DAAS rules for routing vs. passing rules:</p> <p>In general, Navy (e.g., N-series) requisitions are "passed" by DAAS to the activity identified as the RIC-To.</p> <p>DLA (e.g., S-series) requisitions (A0_) are "routed" by DAAS to the FLIS Source of Supply - regardless of what is shown in the RIC-TO.</p> <p>For this new process, the requisition is prepared by DLA on behalf of the Navy. It will look like a Navy requisitioner, but we want DAAS to "route" and not "pass."</p>

3.	Air Force	Concur	
4.	USMC	Concur	
5.	DSCA	<p>1) Will this PDC will impact billing? If so, how?</p> <p>2) The PDC identifies the routing ID for ERP as "NPR." Navy uses "NRP." Is "NPR" a typo?</p> <p>3) What status/shipping transactions will be sent to Navy FMS MISIL?</p>	<p>There is no applicability to FMS in these procedures. Materiel previously purchased by the Navy from Navy, Air Force, GSA, etc., will be pre-purchased by DLA (from other sources of supply) and pre-positioned for the Navy BRAC sites that will then purchase this materiel from DLA. In order for DLA to buy the materiel from the other Services on behalf of the Navy BRAC site, DLA will use these new N-series DoDAACs (so that the other Services will not interpret as a DLA customer).</p> <p>Status will be provided the IA site, subsequent to purchase and protection. Not applicable to FMS.</p> <p>Typo corrected.</p>
6.	DPAP contractor support	<p>I assume these new DoDAACs will appear on DVD shipments as well as other new acquisitions--is that correct?</p> <p>Will the DoDAACs be DSS Ship TO locations? Will the shipments ever be to "other than the DoDAAC used within the requisition number? Will any of the material ordered under this process ever be shipped direct to a Contractor site? A pure one-to-one ONLY relationship would be nice but is it reality? I ask as I am trying to determine any impacts on WAWF, the IUID Registry and/or the GFP Hub.</p>	<p>Yes.</p> <p>The ship-to will normally be the co-located depot (associated with the N_DLA DoDAAC in the requisition document number). However, shipment may be direct to the forward site identified in the supplemental address.</p> <p>If the Source of Supply from which DLA requisitions the materiel uses a DVD shipment to satisfy the requirement, then there may be WAWF applicability. DSS will perform receipt and acceptance processing when materiel is received by the DD.</p>
7.	USTRANSCOM	Abstains	
8.	J627 (formerly DLMSO)	<p>1. Navy will likely get the transportation bills for these movements, because of the "N" in the DoDAAC, which translates to the document number and subsequent TCN assigned for the movement.</p> <p>2. Use of N_DLA DoDAACs may impact Logistics Metrics Analysis</p>	<p>1. When material is pulled from a DDS site the transportation cost will be billed to the associated TAC on the Requisitioning DoDAAC. When there is no TAC the RIC-TO will be billed. The RIC-TO for the new DLA N_DLA DoDAACs is SMS. When the DoDAACs were established no TAC code was requested so billing should be to DLA, SMS Routing</p>

		Reporting System (LMARS). N__DLA DoDAAC response time will be captured under Navy metrics.	Identifier Code. 2. LMARS changes will be explored at a later time.
9.	DMLSS Program, JMFLDC	Concur	
10.	ODASD(SCI)	See Reference 3B.	