

IN REPLY REFER TO J627

November 15, 2011

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC) 446, Proposed New Supply Condition Code T, Serviceable (Ammunition Suitable for Training Use Only) (Supply/MILSTRAP) (Staffed as PDC 399)

The attached change to DOD 4000.25-M, DLMS, and DOD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), is approved. As noted in attached change, Supply Condition Code (SCC) T is approved for ammunition use only. Navy provided an implementation date of October 1, 2012, for the Ordnance Information System (OIS), which is used by Navy, Marine Corps, and Coast Guard. Army is evaluating implementation of SCC T in Army's Logistics Modernization Program (LMP). Air Force does not plan to implement SCC T at this time.

Supply PRC representatives may direct questions to Ms. Mary Jane Johnson, email <u>Mary.Jane.Johnson@dla.mil</u>. Others must contact their Component designated Supply PRC representative.

Mary ano Johnson Jordonald C. RIPP

DONALD C. RIPP Director DLA Logistics Management Standards

Attachment ADC 446

cc: DUSD(L&MR)SCI IMMC Chair Nonconsumable Item Committee Chair JPIWG

ATTACHMENT TO ADC 446 Proposed New Supply Condition Code T, Serviceable (Ammunition Suitable for Training Use Only)

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Navy, NAVSUP, Naval Operational Logistical Support Center (NOLSC) Ammo

a. Technical POC: N9: (717) 605-3130 and N411E: (717) 605-4353.

b. <u>Functional POC</u>: N411E: (717) 605-4353 and N411J: (717) 605-4111

2. FUNCTIONAL AREA:

a. <u>Primary/Secondary Functional Area:</u> Ammunition & Explosives (Class V)/other classes of supply.

b. Primary/Secondary Functional Process: Inventory Management/Logistics

3. REFERENCES:

a. Joint Conventional Ammunition Policies and Procedures (JCAPP) documents

b. AMC-R 700-99/NAVSUPINST 4790.7/AFLCR 400-21/MCO P4410.22C, Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items

c. DOD 4140.26-M, Volume 4, Defense Integrated Materiel Management (IMM) for Consumable Items: Logistics Reassignment (LR), available at: http://www.dtic.mil/whs/directives/corres/html/414026m.html

SIGNIFICANT CHANGES FROM PDC 399 ARE HIGHLIGHTED

4. BACKGROUND:

a. Intent of the revision: To establish a new Supply Condition Code (SCC) T for 'Serviceable (Ammunition Suitable for Training Use Only)'.

b. Scenario for which the code is used: To identify ammunition assets originally intended for combat use, which no longer meet established criteria for combat applications but which can be safely used for training applications, i.e., an armor piercing round determined not to meet acceptable penetration capability for designed combat application, but which is acceptable for range training.

c. Procedures, transactions, data elements, processing details in use today: Currently, those items that have been reclassified from combat applications to training use only are assigned to SCC "B" (Serviceable Issuable with Qualifications) and grouped with all other qualifiers identified by SCC "B."

5. APROVED CHANGE:

a. Requested change in detail: Revise DoD 4000.25-2-M, MILSTRAP, Appendix 2.5, Federal Condition Code, to add new Supply Condition Code T, with explanation as follows. Change is identified by bold, red italics (corresponding change would be made to the DLMS Data Dictionary) :

| <u>CODE</u> | TITLE | EXPLANATION |
|-------------|---|---|
| Τ | SERVICEABLE (<mark>AMMUNITION</mark> <mark>SUITABLE FOR</mark> TRAINING USE ONLY) ¹ | New, used, repaired, or reconditioned ammunition stock originally intended for combat use but due to condition, function, or performance characteristics is serviceable and issuable for training use only. Authorized for Intra-Service use and authorized for staggered implementation for inter-Service use by agreement of impacted trading partners. |

¹ Ordnance Information System (OIS) implementation date for SCC T is October 1, 2012. OIS is used by Navy, Marine Corps, and Coast Guard. For Army, further analysis is required to determine supportability and implementation timeline for incorporation of SCC T in Army's Logistics Modernization Program (LMP). Air Force has no plans to implement SCC T at this time. Refer to ADC 446.

b. Alternatives: Continue use of SCC "B" to address training use only restrictions and expand current Defect Code definitions published in Joint Conventional Ammunition Policies and Procedures (JCAPP 08) to aid in segregating those assets assigned SCC "B" based on restrictions to training use and those assets assigned to SCC "B" for other reasons.

STAFFING NOTE: Navy indicates that Ammunition Defect Codes are published in Joint Conventional Ammunition Policies and Procedures (JCAPP 08), and select Service documents. For the Navy/Marine Corps and Coast Guard the document is NAVSUP P-805 Appendix D.

6. REASON FOR CHANGE: Provide a more efficient and cost effective manner to manage assets that have been reclassified from combat use to training use only. Provide increased visibility of training use assets permitting more efficient management of both combat usable and restricted training use only assets.

7. ADVANTAGES AND DISADVANTAGES:

a. Advantages: Clear re-identification of assets designed for combat use but restricted to training use; ability to use automated systems for sorting; removal of training restricted assets from combat calculations; enhanced resource management, budgeting, procurement, maintenance, positioning and assessment; reductions in procurement cost; less waste: improved asset posture; enhanced safety, training restricted assets not inadvertently issued to fill a combat requirement.

b. Disadvantages: Inventory management systems will require programming to accept new code; Documents will require updates to include new code. Services which implement SCC T may require re-identification of assets currently assigned SCC B.

8. ASSUMPTIONS USED OR WILL BE USED IN THE CHANGE OR NEW

DEVELOPMENT: The basic definition for Ammunition Condition Codes addressed in Joint Conventional Ammunition Policies and Procedures (JCAPP 08) should remain consistent with SCCs as establishment at the DOD/Federal level.

9. ADDITIONAL COMMENTS:

a. All noted benefits and savings are associated with class V, ammunition and explosives items only. Some of the noted benefits may be applicable to classes of supply other than class V.

b. Marine Corps requires that SCC T will not apply, or be applied, to Cognizance Code 0T Marine Corps ground ammunition.

c. <u>Implementation Scope</u>:

1) <u>Scope of SCCT-Ammunition only</u>: While the requirement for SCC T stemmed from the Navy ammunition community, SCC T, as proposed, was not commodity specific. However, subsequent Supply PRC discussion/comments and implementation focused on ammunition and ammunition systems. Accordingly, initial approval of SCC T is for ammunition use only.

2) <u>Service Implementation (refer to paragraph 14 for DOD Component</u> responses):

a) Initial implementation in October 2012 will be limited to the Ordnance Information System (OIS), used by <u>Navy, Marine Corps, and Coast Guard</u>.

b) <u>Army</u> requires further analysis to address implementation in Army's LMP. Select service application of SCC T incorporation into U.S. Army's LMP to support Single Manager for Conventional Ammunition (SMCA) customer requirements is dependent upon funding to support LMP modification. Further analysis is required to determine supportability and implementation timeline for incorporation of SCC T in LMP. This is a new requirement. Presently, The Army (SMCA) uses SCC B, with restriction B01 to identify these assets. However, the restriction code does not transfer to the Navy OIS system.

c) <u>Air Force</u>: After further evaluation of Air Force's Expeditionary Combat Support System (ECSS) and the rest of Air Force IT legacy systems, Air Force reports they will not be able to use SCC T without investing a huge amount of money to make the required changes. AF states that they will not be able to make the required changes.

3) The DOD Components were requested to identify to DLA Logistics Management Standards, by December 15, 2011, their interest in expanding use of SCC T to other than ammunition. A new PDC for expanded use would be required. No interest in expanding SCC T beyond ammunition was expressed at this time.

d. <u>Logistics Reassignment Policy</u>. By this ADC the MILSTRAP Administrator is bringing the establishment of new SCC T to the attention of the Nonconsumable Item Committee Chair and the Integrated Materiel Management Committee (IMMC) Chair, for their review, information, and determination of any logistics reassignment (LR) policy impact to references 3.b. and 3.c. respectively, regarding transfer of SCCs during logistics reassignment. The MILSTRAP Administrator notes that the cited policy publications do not provide LR guidance for the only other ammunition specific SCC, SCC N - Suspended (Ammunition Suitable for Emergency Combat Use Only).

10. NOTE ANY REGULATIONS OR GUIDANCE: (IF APPLICABLE):

a. DLMS Data Dictionary for Supply Condition Codes.

b. DOD 4000.25-2-M, MILSTRAP, Appendix 2.5 (SCCs).

c. Joint Conventional Ammunition Policies and Procedures (JCAPP 08) Enclosure 2 (Lists Ammunition C/Cs).

11. ESTIMATED TIME LINE/IMPLEMENTATION TARGET: The original Navy intent for ammunition applications was for all Services to be able to use and report SCC T, however Army and Air Force subsequently revised their initial position and do not plan to implement SCC T.

1) <u>For Navy/Marine Corps/Coast Guard</u>: the system is the Ordnance Information System (OIS). Navy has confirmed intent to implement ADC 446/SCC T in OIS by <u>October 1, 2012</u>.

2) <u>For Army</u>: Select service application of SCC T incorporation into U.S. Army's LMP to support SMCA customer requirements is dependent upon funding to support LMP modification. Further analysis is required to determine supportability and implementation timeline for incorporation of SCC T in LMP. This is a new requirement. Presently, The Army (SMCA) uses condition code B, with restriction B01 to identify these assets. However, the restriction code does not transfer to the Navy OIS system.

3) <u>For Air Force</u>: No plans at this time to implement in the Air Force ammunition system: Combat Ammunition System (CAS) at this time.

12. ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE: 5M dollars annually

13. IMPACT:

a. Publications.

1) Requires update to DLMS Data Dictionary and DOD 4000.25-2-M, MILSTRAP, to add a new value to supply condition codes.

2) DOD MILSTRAP is the authoritative source for SCC. Accordingly, any DOD or Component publications that publish the MILSTRAP SCCs must be revised as MILSTRAP SCCs are revised. Examples of such publications include, but are not limited to: Joint Conventional Ammunition Policies and Procedures (JCAPP) 8.

STAFFING NOTE: Navy indicates that The Joint Conventional Ammunition Policies and Procedures (JCAPP 08) include the basic SCC definitions. JCAPP does not refer to the codes as SCCs, the codes are identified as Ammunition C/Cs. There are amplifications associated with the Ammunition C/Cs that are not applicable to SCCs. Link to JCAPP 08: <u>https://www.us.army.mil/suite/designer</u>, from the web page select "general Info" then "JCAPPs" the "JCAPP 08".

3) The following publications will require update to identify policy on whether SCC T assets are subject to transfer during a Logistics Reassignment. The policy decision would be documented in MILSTRAP Chapter 11, Logistics Reassignment procedures (and DLMS, Volume 2):

(a) **DOD 4140.26-M**, Defense Integrated Material Management Manual for Consumable Items.

(b) AMC-R 700-99/NAVSUPINST 4790.7/AFLCR 400-21/MCO P4410.22C, Wholesale Inventory Management and Logistics Support of Multi-Service Used Nonconsumable Items.

b. Automated Information Systems (AIS): Implementing Ammunition systems must recognize/process new SCC T. See paragraph 11 above (Estimated Time line/Implementation Target).

c. DLMS Data Elements: No new DLMS data elements are being added by this change. This change adds a new code value the existing DLMS/MILSTRAP SCC.

| ORGANIZATION | PDC 399 RESPONSE/COMMENT | DISPOSITION |
|---|--|--|
| DLA Logistics Management Standards MILSTRAP Administrator | 1. Since the requirement for SCC T stemmed from the Navy ammunition community, and subsequent Supply PRC discussion/comments and implementation focused on ammunition and implementation for ammunition systems, initial use of SCC T will be confined to ammunition. | ADC updated accordingly. |
| | Use of SCC T beyond ammunition will be dependent on SPRC responses to the ADC cover memo soliciting input on expanded use. | |
| | ADC 446 is published limiting SCC T to ammunition. The ADC also includes a request for implementation date for Army and Air Force ammunition systems. | |
| | 2. The Logistics Reassignment (LR) impact, if any, on transfer of SCC T during a logistics reassignment in not known at this time. | See page 3, paragraph 9.d. of this ADC. |
| DLA | Concurs, and we will require an SCR. | Noted; however request DLA note that ultimately SCC T was approved for <u>ammunition</u> use only. Use beyond ammunition would require a separate PDC. |
| DPAP IUID/WAWF | Coordinated with the UID Policy Office and the registry and Hub staffs and they have no objections/comments. | Noted. |

14. PDC 399 and draft ADC 446 COMMENTS AND DISPOSITION:

| ORGANIZATION | PDC 399 RESPONSE/COMMENT | DISPOSITION |
|-------------------------|---|---|
| USA | After initial concurrence, Army provided this updated concurrence on 10/14/2011: HQDA DCS G-4(S) Concurs with PDC 466 with comment: | Noted. |
| | Condition code T would only be used by Navy and Marine stocks, Army does not have the capability to use SCC T. | |
| | Select service application of SCC "T" incorporation into U.S. Army's Logistics Modernization Program (LMP) to support Single Manager for Conventional Ammunition (SMCA) customer requirements is dependent upon funding to support LMP modification. Further analysis is required to determine supportability and implementation timeline for incorporation of SCC T in LMP. This is a new requirement. Presently, The Army (SMCA) uses condition code B, with restriction B01 to identify these assets. However, the restriction code does not transfer to the Navy OIS system. | |
| USN | Concurs as written and submits no additional changes. | Noted. |
| USAF 8/9/2011 | After initial concurrence on 8/9/2011, USAF provided this updated response on 9/29/2011: After further evaluation of ECSS and the rest of our IT legacy systems, we will not be able to use SCC T without investing a huge amount of money to make the required changes. As you know, currently all our budgets are extremely tight. The AF will not be able to make the required changes. | Noted. |
| USMC 8/23/2011 | Concurs with comments: Paragraph 8. a. The Marine Corps requires inclusion of the following statement in paragraph 8 of PDC 399: | DOD MILSTRAP Administrator Response: Paragraph 8 in PDC became paragraph 9 in ADC. The following statement was added in ADC paragraph 9: "Marine Corps requires that SCC T will not apply or be applied to Cognizance Code 0T Marine Corps ground ammunition" Navy Ammunition Sentencing Program Manager (Code N411E) Response: NAVSUP P-805 addresses amplifications to |
| | precluding the Marine Corps from generating costly system changes for code that the Marine Corps ground ammunition community will not use. | established C/Cs for Ammunition. Amplification for C/C T will reflect that C/C T is not to be applied to 0T COG ammo per coordination with MARCORSYSCOM PM AMMO. |

| ORGANIZATION | PDC 399 RESPONSE/COMMENT | DISPOSITION |
|-------------------|---|--|
| USMC continued | 2. General (Aviation Specific) a. This proposed change will require the amendment of all applicable publications, curriculum and ordnance information systems related to Marine Corps aviation ordnance. i. Specific attention should be paid to NAVSEA TWO24-AA-ORD-010/NAVSUP P-801, Ammunition, Unserviceable, Suspended and Limited Use, which will require addition of SCC T, and clarification of the definition of SCC B | DOD MILSTRAP Administrator requested that Navy respond to this comment as the publications addressed are not under the purview of DLA Logistics Management Standards office. Navy Ammunition Sentencing Program Manager (Code N411E) Response: This publication is managed by NAVSUP LOG OPS CEN (Ammo). Required changes have been drafted for incorporation and will be included during Oct 2011 revision. |
| | b. Following publication of these changes in the appropriate doctrine, training of new classification processes will have to be conducted prior to officially reclassifying on-hand stock to SCC T. i. Notice of ammunition reclassification (NAR) program training at formal schools and individual unit lesson plans will require amendment to incorporate SCC T and clarify the definition of SCC B. ii. All Marine Ordnance personnel will require training on the new process of classification that implements SCC T and the amended classification of SCC B. | DOD MILSTRAP Administrator requested that Navy respond to these comments as the training requirements addressed are not under the purview of DLA Logistics Management Standards office. Navy Ammunition Sentencing Program Manager (Code N411E) Response: Applicable governing documents related to ammunition are managed by NAVSUP LOG OPS CEN (Ammo). CBT and instructor based training will be updated to reflect use and application of C/Cs B & T. This is already in process and will be incorporated NLT April 2012. NAVSUP P- 805 Appendix D will incorporate C/C B & T use and application data during Oct 2011 revision. |
| | c. A NAR will be required to initiate reclassification of the intended items. | DOD MILSTRAP Administrator requested that Navy respond to this comment as NAR is not under the purview of DLA Logistics Management Standards. Navy Ammunition Sentencing Program Manager (Code N411E) Response: NAVSUP LOG OPS CEN (AMMO). Is responsible for the coordination and release of NARs and is aware of the use and application of C/C T to include that C/C T is not to be applied to 0T COG ammo. Program offices responsible for the origination of reclassification actions are aware of C/C T intended use and application. |