



IN REPLY  
REFER TO

DLMSO

DEFENSE LOGISTICS AGENCY  
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February 04, 2010

MEMORANDUM FOR DOD ACTIVITY ADDRESS DIRECTORY (DoDAAD)  
PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Defense Logistics Management System (DLMS) Change (ADC)  
354, DOD Activity Address Code (DoDAAC) Edits on Logistics Bills and  
Requisitions (Finance/DoDAAD/Supply) (Staffed as PDC 368)

The attached change to Department of Defense (DOD) 4000.25-M, DLMS, is approved for implementation.

Addressees may direct questions to the DLMSO points of contact, Mr. Robert Hammond, DLMSO, Finance Process Review Committee Chair and DoDAAD Process Review Committee Chair, 703-767-2117, DSN 427-2117 or email: [robert.hammond@dla.mil](mailto:robert.hammond@dla.mil), or Ms. Ellen Hilert, Supply Process Review Committee Co-chair; 703-767-0676, or email [Ellen.hilert@dla.mil](mailto:Ellen.hilert@dla.mil). Others must contact their Component designated representative.

DONALD C. PIPP  
Director  
Defense Logistics Management  
Standards Office

Attachment

cc:

DUSD(L&MR)SCI

**ADC 354**  
**DOD Activity Address Code (DoDAAC) Edits on Logistics Bills and Requisitions**

**1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION:**

- a. **Service/Agency:** Defense Logistics Management Standards Office (DLMSO)
- b. **Originator:** Robert Hammond; commercial 703-767-2117

**2. FUNCTIONAL AREA:**

- a. Primary: Joint Finance and Supply
- b. Secondary: DOD Activity Address Directory (DoDAAD)

**3. REFERENCE:**

- a. DoD 4000.25-M, Defense Logistics Management System (DLMS) Volume 6 (Logistics Systems Interoperability Support Services), Chapter 2 - Department of Defense Activity Address Directory.
- b. DoD 4000.25-7-Military Standard Billing System (MILSBILLS).
- c. DoD 4000.25-M, Defense Logistics Management System (DLMS) Volume 5 – Finance.
- d. DoD 4000-25-1-M - Military Standard Requisitioning and Issue Procedures (MILSTRIP)
- e. DoD 4000.25-M, Defense Logistics Management System (DLMS) Volume 2 – Supply Standards and Procedures
- f. Approved Defense Logistics Management System (DLMS) Change (ADC) 262, Deleted Department of Defense Activity Address Code (DoDAAC) cited on Open Orders (Supply/MILSTRIP) (Staffed ass PDC 277).
- g. Approved DLMS change (ADC) 110 series, DAASC Processing of AF Requisitions and Requisitions with Billing Restrictions

**4. REQUESTED CHANGE:**

- a. **Description of Change.** Staffing Note: Revisions to published procedures are identified by ***bold/italics***. Updates to the DLMS change documentation subsequent to proposal staffing are highlighted in yellow:
  - 1) This change provides information and procedures regarding Defense Automatic Addressing System Center (DAASC) DODAAC edits for logistics bills and requisitions. This also incorporates an administrative change to reflect the DAASC retention of security assistance bills of 4 years after initial routing vice 2 years. A determination was made that it would be more efficient to defer some portions of the original proposed change dealing with DAAS edits based on DoDAAC series established under ADC 110 series for additional development under a separate proposal.

**b. Background:**

- 1) ADC 262 identified a problem at Defense Finance and Accounting Service (DFAS) Columbus with DLA bills rejecting at DAASC because of deleted or invalid DoDAACs. ADC 262 expanded existing procedures for Supply sources that automatically initiate cancellation for unfilled quantities of material obligations or open requisitions upon deletion of a DoDAAC identified as a requisitioner, to also include DoDAACs identified as a ship-to or bill-to activity.
- 2) Reference (3.a) indicates that once the delete effective date has passed for deleting a DoDAAC, the DoDAAC will remain on the DoDAAD master file for five years, before the record is physically removed from the master file. This is done so the pipeline of pending actions is given sufficient time to clear before the DoDAAC is actually removed from the master file.
- 3) DAASC edits reject new requisitions for DoDAACs cited as a requisitioner, ship-to or bill-to party for deleted DODAACS, but do not reject bills during the five year period that the DoDAAC remains in the database. DoDAACs that are not in the DAASC database, including those deleted after the five year period when a deleted DoDAAC is removed from the DAASC database are considered invalid, and bills are rejected at DAASC. DAASC edits also reject bills if the authority code associated with DoDAAC is not approved for that purpose, as described in reference a. DAASC rejects bills when the bill-to DoDAAC authority code is "01" (ship-to only), 06 (free issue only) and "07 (administrative only). A complete list of authority codes can be found at enclosure 3.
- 4) A recent check of DLA rejected summary bills at DFAS Columbus indicated that all were rejected because the bill-to DoDAACs were invalid, which would include deleted DoDAACs that had been removed from the DAASC master DoDAAD file.
- 5) Reference 3.b states that only interfund bills passing MILSBILLS prescribed edits and routed to DAASC are eligible for reporting the Treasury and interfund reimbursement. Bills that do not pass MILSBILLS prescribed edits are rejected and returned to the originator or originating communications center with a narrative description indicating the reason for rejection for the bills to be reconciled.

**c. Procedures:**

- 1) Revise DoD 4000.25-7-Military Standard Billing System (MILSBILLS) as shown in enclosure 1, and add a corresponding revision to DoD 4000.25-M, Defense Logistics Management System (DLMS) Volume 5 - Finance
- 2) Revise DoD 4000.25-1-M -Military Standard Requisitioning and Issue Procedures (MILSTRIP) as shown in enclosure 2, and add a corresponding revision to DoD 4000.25-M, Defense Logistics

Management System (DLMS) Volume 2 – Supply Standards and Procedures

5. **REASON FOR CHANGE:** To clarify procedures for DAASC DoDAAC edits on logistics bills and requisitions.
6. **ADVANTAGES AND DISADVANTAGES:**
  - a. **Advantages:** Clarifies procedures for DAASC DoDAAC edits on logistics bills and requisitions..
  - b. **Disadvantages:** None noted.
7. **UNRESOLVED ISSUES:** None noted.
8. **PUBLICATION.** This change will impact:
  - a. DoD 4000.25-7-Military Standard Billing System (MILSBILLS).
  - b. DoD 4000.25-M, Defense Logistics Management System (DLMS) Volume 5 - Finance.
  - c. DoD 4000-25-1-M - Military Standard Requisitioning and Issue Procedures (MILSTRIP)
  - d. DoD 4000.25-M, Defense Logistics Management System (DLMS) Volume 2 – Supply Standards and Procedures
9. **ESTIMATED SAVINGS/COST AVOIDANCE ASSOCIATED WITH IMPLEMENTATION OF THIS CHANGE:** None noted.

## Enclosure 1

### Revision to DoD 4000.25-7-Military Standard Billing System (MILSBILLS)

#### C6.3. MILSBILLS PROCESSING

##### C6.3.1. Requirement to Route Bills to DAAS

C6.3.1.1. As indicated in Chapter 2, sellers shall route all interfund and automated "G" series noninterfund billing records to DAAS for editing, retention, and further routing to billed offices.

C6.3.1.2. Only interfund bills passing MILSBILLS prescribed edits and routed by DAAS are eligible for reporting to the Treasury Department and interfund reimbursement.

C6.3.1.3. All billing records shall be routed to DAAS via electronic means.

##### C6.3.2. Bill Editing

C6.3.2.1. DAAS shall edit and reject any bill which fails any of the following edits:

C6.3.2.1.1. The record count (positions 5-7) of the summary billing record equals the actual count of the supporting detail billing records.

C6.3.2.1.2. The bill-to DoDAAC (reference (i)) (positions 30-35) of the summary billing record is a valid DoDAAC, ***and is authorized for use as a bill-to party in accordance with the DoDAAC authority code, as outlined in DoD 4000.25-M, Defense Logistics Management System (DLMS) DLMS Volume 6 (DoD Logistics Systems Interoperability Support Services), Chapter 2 - Department of Defense Activity Address Directory. Note that DoDAACs are deleted to prevent requisition transactions from being processed through DAASC. Once the delete effective date has passed, the DoDAAC will remain on the DoDAAD master file for five years before the record is physically removed from the master file, and bills with the bill-to authorized in accordance with the DoDAAC authority code will not reject as invalid DoDAACs during this period. After the five year period, deleted DoDAACs are removed from the DAASC database, and subsequent bills would reject as invalid DoDAACs.***

C6.3.2.1.2.1. The bill-to DoDAAC of the summary billing record is authorized for use as a bill-to party. An unauthorized USAF bill-to activity is identified by its structure.

C6.3.2.1.2.1.1. DoDAAC begins with FT or FF indicating a non-appropriated funded activity,

C6.3.2.1.2.1.2. DoDAAC begins with FA or FY, or

C6.3.2.1.2.1.3. The first position is an “F”, followed by one numeric character in position two, and an alpha character in position three.

C6.3.2.1.3. The amount (positions 65-73) of the summary billing record equals the sum of the amounts (positions 65-73) of the supporting billing records.

C6.3.2.1.4. The bills are identified as interfund and authorized to be billed under interfund procedures.

C6.3.2.1.5. Reject billings where the bill-to is an “F” numeric or F numeric alpha DoDAAC.

(Numeric) C6.3.2.1.5.1. F (Numeric) (Numeric) (Numeric) (Numeric)

(Alpha) C6.3.2.1.5.2. F (Numeric) (Numeric) (Numeric) (Numeric)

C6.3.2.1.5.3. F (Numeric) (Numeric) (Alpha)

C6.3.2.1.5.4. FA series

C6.3.2.1.5.5. FF series

C6.3.2.1.5.6. FT series

C6.3.2.2. Rejected bills shall be returned to the originator or originating communications center with a narrative description indicating the reason for rejection.

C6.3.2.2.1. Originators may retrieve any rejected bills within an hour of original submission to DAAS. When appropriate, billing offices shall correct and resubmit rejected bills.

C6.3.2.2.2. Billing offices shall ensure that adjustments for rejected billings are properly recorded in their seller accounting records.

C6.3.2.3. Upon successful completion of the bill edits, DAASC shall:

C6.3.2.3.1. Route billings to the billed office by the best means available.

C6.3.2.3.2. Ensure bills routed electronically are routed to the billing communications routing identifier code assigned to the billed office DoDAAC.

C6.3.2.3.3. Ensure bills routed by non-electronic means are mailed to the clear-text address of the billed DoDAAC identified for billing.

C6.3.2.4. DAAS shall forward images of interfund summary billing records to the seller’s CAO.

C6.3.3. Bill Retention. DAASC shall retain a copy of non-security assistance bills for 2 years and security assistance bills for 4 years after initial

routing.

**Enclosure 2**  
**Revision to DoD 4000-25-1-M - Military Standard Requisitioning**  
**and Issue Procedures (MILSTRIP)**

**C2.28 DEFENSE AUTOMATIC ADDRESSING SYSTEM EDIT OF INCOMING REQUISITIONS**

C2.28.1 The DAAS will edit all incoming requisitions and other MILSTRIP transactions for data errors and validity under procedures in DoD 4000.25-10-M (DAAS).

C2.28.2 As a result of these edits, DAAS will correct data entries or reject transactions. In the case of supply source errors, the correct supply source will be entered in the RI field and the transaction rerouted, as appropriate.

C2.28.3 The DAAS will reject all requisitions/EMALL orders containing GY/GZ series AACs. The DAAS will furnish DI AE9 transactions with Status Code CX to advise all concerned of the rejection of the requisition.

C2.28.4. DAAS will pass all DI A02 and A0B transactions to the RI present in the incoming transaction.

C2.28.5. The DAAS will use AP2.13 to validate requisitions for invalid/expired OSD/CJCS Category D project codes. The DAAS will blank out the inappropriate project code and furnish DI AE9/BK status to the customer.

C2.28.6. The DAAS will validate F/AD I usage through the requisitioning process. Requisitions containing an unauthorized priority designator according to AP2.14 will be downgraded. The DAAS will furnish DI AE9/BK status to the customer.

C2.28.7. The DAAS will perform validation of requisitions (DI Codes A0\_, AM\_, AT\_, A3\_, A4\_, and APR) for accuracy and reasonableness of the entry in the RDD field and its compatibility with the PD. The DAAS will furnish DI AE9/BK status to advise the requisitioner of the resulting modification. For Security Assistance requisitions forwarded to the applicable ILCO, DAAS will not blank out customer input. DAAS will perform PD and RDD edits according to Figure C3.1.2 supply source guidance.

C2.28.8. The DAAS will perform validation of requisitions for authorized ordering or billing DoDAACs. The DAAS will furnish DI AE9 transactions with Status Code CX to advise all concerned of the rejection. Requisitions will be rejected if the requisitioning DoDAAC:

C2.28.8.1. First position is F followed by all numerics, FA or FY.

C2.28.8.2. May not be used for billing.

C2.28.8.3. Bill-to activity identifies a USAF DoDAAC that is not authorized



for use.

C2.28.9. The DAAS will identify non-appropriated instrumentalities and prime vendor contractors using non-contractor DoDAACs for billing and provide for billing under non-interfund procedures by changing the fund code for these requisitions to XP. The DAAS will furnish DI AE9/BK status to the customer.

C2.28.9.1. A DoD Prime Vendor contractor is identified as a DoDAAC beginning with SD.

C2.28.9.2. A non-appropriated funded activity is identified as a DoDAAC beginning with FT or FF.

C2.28.9.3 The bill-to activity is identified by DoDAAC FG4302.

C2.28.10. The DAAS will perform validation of requisitions for authorized DODAACS. Reject requisitions when the requisitioning or bill-to-activity identifies a USAF DODAAC that is not authorized for this use. These DODAACS are identified by their structure: the first position is an “F”, followed by one numeric character in position two, and an alpha character in position three. The DAAS will furnish DI AE9 transactions with Status Code CX to advise all concerned of the rejection of the requisition.

C2.28.11. DAAS shall perform validation of requisitions for authorized ordering, bill-to or ship-to DODAAC according to the DODAAC Authority codes below, and will reject requisitions that do not meet the DAAS DODAAC Authority Code edits. The DAAS will furnish DI AE9 transactions with Status Code CX to advise all concerned of the rejection of the requisition. If the transaction failing the edit is AM\_, DAAS will reject with supply status DI AE\_ and status code D7.

Figure C2.F1. DODAAC Authority Codes

Code	Description	
00	Requisition	
	Required: POC, TAC 1	
	Business Rules: No restrictions	
	DAAS DODAAC Authority Code Edit: no additional edit	
01	Ship-To Only	
	Required: POC, TAC 1 and either TAC 2 and/or TAC 4	
	Business Rules: Not authorized to requisition or bill-to	

Code	Description	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used in requisition supplementary address field (record positions 45-50) with signal code J, L, M, X	
02	Finance (Bill-To Only)	
	Required: POC, TAC 1. Note TAC 2 is not allowed.	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used in the requisition supplementary address field (record positions 45-50) with signal code B	
03	Do Not Ship-To	
	Required: POC, TAC 1	
	Restriction: TAC 2 and TAC 4 are not allowed	
	Business Rules: Cannot be used as a ship-to designation	
	DAAS DODAAC Authority Code Edit: If DODAAC used in requisition requisitioner field (record positions 30-35) must contain signal code J, K, L, M, X. If used in the requisition supplementary address field (record positions 45-50 must contain signal code A, B, C, or D.	
04	DRMS Only	
	Required: POC, TAC 1	
	Business Rules: Cannot requisition new material. Only authorized to obtain materials from DRMS (DOD excess only)	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used with DRMS RIC (S9D) in record positions 4-6	
05	Non-Requisition	
	Required: POC, TAC 1	
	Business Rules: Cannot initiate a request for any good/services.	
	DAAS DODAAC Authority Code Edit: DODAAC cannot be used in requisition in the requisitioner field (record positions 30-35).	
06	Free Issue	
	Required: POC, TAC 1	
	Business Rules: Cannot requisition/purchase any goods/services. Similar to DRMS, but can request free of cost items (e.g., maps from NGA)	
	DAAS DODAAC Authority Code Edit: DODAAC may only be used	

Code	Description	
	with signal code D or M	
07	Administrative	
	Required: POC, TAC 1	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation, and cannot be used for billing. Information/identification use only.	
	DAAS DODAAC Authority Code Edit: DODAAC may not be used in a requisition in record positions 30-35 or in record positions 45-50 as a ship-to or bill-to.	

***C2.28.12. Deleted DoDAACs and Requisition Processing. Obsolete or invalid DoDAACs are flagged for deletion and later physically removed from the DoDAAC table to prevent improper requisition transactions from being processed through DAASC. Once the delete effective date has passed, the DoDAAC will remain on the DoDAAD master file for five years before the record is physically removed from the master file. New requisitions may not be processed against these flagged DoDAACs. However, outstanding interfund bills (with the bill-to authorized in accordance with the DoDAAC authority code) that are associated with previously processed requisitions will not reject due to invalid DoDAACs during this period. After the five year period, deleted DoDAACs are physically removed from the DAASC-maintained DoDAAC table, and all subsequent requisitions or bills would reject due to invalid DoDAACs.***

### **Enclosure 3 - Authority Codes**

Code	Description	Definition
00	Requisition	Authorized to initiate a requisition/purchase for goods and services. Authorized ship-to and bill-to.
	Required <sup>1</sup> : POC <sup>2</sup> , TAC <sup>3</sup> 1	
	Business Rules: No restrictions	
01	Ship-To Only	Can only be used as a ship-to address with no other implicit authority.
	Required: POC, TAC 1, (TAC 2 and/or TAC 4)	
	Business Rules: Not authorized to requisition or bill-to	
02	Finance (Bill-to Only)	DoDAAC can only be used as a bill-to
	Required: POC, TAC 1, TAC 3	
	Business Rules: Cannot requisition, cannot be used as a ship-to designation	
03	Do Not Ship to	Cannot be used as a ship-to destination
	Required: POC, TAC 1	
	Restriction: TAC 2 and TAC 4 are not allowed	
	Business Rules: Cannot be used as a ship-to designation	
04	DRMS Only	Defense Reutilization and Marketing Service (DRMS) (e.g., State agencies surplus). Used by DRMS to identify their customers.
	Required: POC, TAC 1	
	Business Rules: Cannot requisition new material. Only authorized to obtain materials from DRMS (DoD excess only)	
05	Non-Requisition	Can not initiate a purchase or request for goods and services
	Required: POC, TAC 1	
	Business Rules: Cannot requisition/purchase any good/services.	
06	Free Issue	No cost option. This item is given away with no associated costs (e.g., DRMS, NGA Maps)
	Required: POC, TAC 1	
	Business Rules: Cannot requisition/purchase any good/services. Similar to DRMS, but can request free of cost items (e.g., maps from National Geospatial-Intelligence Agency (NGA))	
07	Administrative	Administrative only. This code is used for information/identification purposes only (e.g., Defense Courier Service (DCS), or contingency/emergency use)

<sup>1</sup> Required means minimum required data element(s)

<sup>2</sup> POC is the Point of Contact

<sup>3</sup> TAC means Type of Address Code

Code	Description	Definition
	Required: POC, TAC 1	
	Business Rules: Cannot requisition, cannot be used as a ship-to- designation, and can not be used for billing. Information/identification use only.	