



DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VIRGINIA 22060-6221

June 23, 2015

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Defense Logistics Management Standards (DLMS) Finance Process Review
Committee (FPRC) Meeting of June 11, 2015

The attached minutes of the DLMS Finance PRC meeting are forwarded for
information and action.

The Defense Logistics Management Standards Office (DLMSO) point of contact is
Mr. Robert Hammond, FPRC Chair, 703-767-2117, DSN 427-2117, financehq@dla.mil.

A handwritten signature in black ink, appearing to read "Donald C. Pipp", is positioned above the printed name.

DONALD C. PIPP
Director,
Defense Logistics Management
Standards Office

Attachment:
As stated

cc:
ODASD(SCI)
FPRC members
Meeting attendees



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MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards (DLMS) Finance Process Review
Committee (FPRC) Meeting of June 11, 2015

Purpose: Defense Logistics Management Standards Office (DLMSO) hosted an FPRC meeting at a facility in Tysons, VA and via Defense Connect Online (DCO). A [listing of attendees](#) and all meeting related materials and briefings are hyperlinked below and are available on the FPRC Web page linked to the meeting agenda at http://www.dla.mil/j-6/dlmso/Archives/archives_fin.asp.

Brief Summary of Discussion: Mr. Robert Hammond, FPRC Chair, facilitated discussion of the agenda items below.

1. **Welcome and Opening Comments.** Mr. Hammond extended his sincere appreciation to all meeting participants. One hundred and sixty individuals or groups participated in the meeting, primarily by DCO. The purpose of the meeting was to complete topics deferred from a planned second day of the March 4-5, 2015 meeting, that was postponed due to a snow storm resulting in the Office of Personnel Management closing the Federal Government in the Washington DC metropolitan area. Due to audio problems, some training topics were deferred and will be rescheduled. Participants were asked to observe meeting courtesies for keeping the meeting focused and respectful, noting that briefers were doing us a service to inform us on some important issues and provide information briefings to promote understanding of logistics financial processes and procedures. Mr. Hammond described the structured, disciplined DLMS change process. He addressed DLMSO's mission as the Executive Agent for the logistics information exchange, fostering interoperability and facilitating continuous enterprise integration process improvements to logistics management and operations. He discussed the Finance and Supply Process Review Committee (PRC) missions and identified Web links for the Finance, Supply, DoDAAD and other PRCs and chartered DLMS working group points of contact.

2. **DLMS Implementation Status/Progress.** Mr. Dale Yeakel (DLMSO) presented an update on the DLMS implementation status and DLMS compliance. Between April 2006 and March 2015, the percentage of legacy 80 column card MILS transactions to DLMS transactions has risen from 12 percent DLMS implementation in 2006 to 75 percent in 2015. All Components have made progress, but Navy and Air Force have been impeded due to a lack of a clear ERP migration strategy. Some important Office of the Secretary of Defense (OSD) initiatives

supported in DLMS that cannot be transacted in MILS include: Standard Line of Accounting (SLOA), Standard Financial Information Structure (SFIS), Item Unique Identification (IUID) and Government Furnished Materiel (GFM) policy. Mr. Hammond reminded Components and the Defense Finance and Accounting Service (DFAS) representatives of the March 4, 2015 FPRC action item to report their DLMS implementation plans. DLMS and SFIS are two Investment Review Board (IRB) compliance conditions for approving system milestone decisions and funding. For more information, please see <http://dcmo.defense.gov/governance/dbc-irb.html>.

3. DLMS Status Review Briefing.

Ms. Heidi Daverede (DLMSO) briefed the DLMS Change Status Report. The Change Status Report is maintained by DLMSO and posted weekly to the DLMSO website. The tool tracks the lifecycle of a DLMS change from proposal to implementation and provides an easy way for Components and Agencies to search, track and report the status of all DLMS changes.

The report originated with the 1000 series DLMS changes. Only a few proposed DLMS changes (PDCs) and approved DLMS changes (ADCs) prior to calendar year 2012 exist in the new report. The core database is Microsoft Access, but the reports are all presented in Microsoft Excel. The Overview Report lists all signed PDCs and ADCs. The DLMS Component Response Report identifies the PDCs that have been sent out for staffing, but have not been signed out as an ADC, and it identifies the Component responses reported to DLMSO. The DLMS Overdue Component Response Report highlights any PDC that is past its suspense due date and lacks a Component response, along with the number of days past due. A related DLMS Component Implementation Status Report tracks the date the ADC was signed and the target or actual implementation date of the change. The final reports in the series are the DLMS Publication and the Implementation Convention (IC) reports. The Publication Report identifies the DLMS change, Defense Logistics Manual (DLM) publication impacted and the formal publication change number. The Publication Report is provided to document if the approved change has already been updated in the latest DLMS manual. The IC Report identifies ICs impacted by an ADC. This is useful when Components are writing requirements and want to capture all the ADCs for a particular DLMS transaction, such as the DLMS 810L Logistics Bill.

At the end of each calendar year, an annual DLMS Change Status Report is created containing all new changes and highlighting changes made to prior PDC/ADCs for that calendar year. Each DLMS change is listed on its own page with all relevant information. The annual report is distributed to Office of the Deputy Assistant Secretary of Defense, Procurement and Acquisition Policy (ODASD (DPAP)), Office of the Deputy Assistant Secretary of Defense, Supply Chain Integration (ODASD(SCI)), Office of the Undersecretary of Defense (Comptroller) (OUSD(C)), and to the primary and alternate PRC representatives. In issuing the annual report, DLMSO requires that Components review their implementation status for all ADCs and provide updates to DLMSO. While this request is made formally once a year, the DODM 4140.01 and DLM 4000.25 require that PRC representatives do this throughout the year as changes are implemented.

4. Comptroller/Treasury/DFAS GWA.

a. **Comptroller Initiatives.** Ms. Mary Kemp (OUSD(C)) presented briefs informing on OUSD(C) initiatives to achieve a clean DOD audit opinion. Several initiatives were briefed, including:

(1) **Introduction to Cash Accountability and Traceability Work Group (CATWG).** The DOD recognizes that an audit opinion is not achievable without an auditable DOD Funds Balance with Treasury (FBWT) reconciliation to the General Ledger. The DOD goal is to move the DOD to maintaining an accurate, auditable daily FBWT. The CATWG provides oversight and facilitates change management for a collection of DOD enterprise financial standards progressing towards daily FBWT.

(2) **Improving Daily Funds Balance with Treasury – Daily Reporting & Reconciliation.** DOD understands FBWT auditability cannot be sustained with today's cumbersome monthly cash reporting and reconciliation processes and disparate systems. OUSD(C) has documented a number of challenges to achieving daily FBWT and established initiatives to address the issues. Some of the most crucial initiatives to audit readiness and FBWT include: Direct Treasury Disbursing, Inter-Governmental Transaction (IGT)/Invoice Processing Platform (IPP), Data Management, Sub-Allotments, Funds Distribution, and Cash Traceability. Ms. Kemp presented the notional target cash accountability process to report and reconcile DOD's FBWT. The To-Be process envisions daily reporting of department entitlements and the Defense Cash Accountability System (DCAS) providing real-time validation and reconciliation of General Ledger and FBWT, while reducing reclassification entries, statement of differences, use of clearing accounts, or unsupported journal vouchers.

(3) **Treasury Disbursed Office (TDO) Planning.** Ms. Kemp touched on DOD's effort with Treasury to establish TDOs. Establishing TDOs aligns with Government-wide business process, facilitates big data analytics for improper payments, debt ceiling management etc. Standardization of TDOs should improve data quality and consistency.

(4) **SLOA Validation Service.** This service provides a mechanism that source systems can use to validate transactions prior to their dispatch and improve enterprise analytics through exposure of SFIS/SLOA financial data. Based on the standardization of elements and Global Exchange (GEX) support to manage the data exchange between compliant and non-compliant systems.

(5) **Inter-governmental Transaction (IGT) Initiative.** DOD's IGT financial reporting is identified as a material weakness. Imbalances occur when Federal entities, or "trading/business partners," jointly are unable to account for and reconcile differences when buying and selling goods and services from one another. Thousands of reimbursable IGTs take place every day all over the world. IGTs within the broader U.S. government encompass Military Interdepartmental Purchase Requests (MIPRs), reimbursables, buy/sell transactions, interagency agreements and Intra-Governmental Payment and Collection (IPAC). Ms. Kemp noted Interfund is out of scope for this IGT initiative. The fact that IGTs are executed in a decentralized fashion requires that transactions be tracked, accounted for and reconciled. Currently, there are many

differences in acquisition and financial management procedures, systems, data standards and reporting, presenting a broad spectrum of challenges.

(6) Invoice Processing Platform (IPP). Ms. Kemp noted that historically, DOD's practice of basing balances on seller data has meant a lack of adequate tracking of buyer actions. In 2009, DOD participated with a diverse group of federal agencies in a project led by the Office of Management and Budget (OMB) and Treasury to define a standard Interagency Agreement (IAA) template for reimbursable processing. The template was published in 2010 by Treasury as Standard Form 7600 parts A and B. The IAA Form is available to all Federal agencies for use as a standard format for negotiating inter/intra-agency agreements and orders. The 7600 parts A and B is now being voluntarily adopted by many agencies. A second initiative introduced by the Treasury Department was the implementation of IGT scorecards to measure each agency's progress towards resolving IGT differences with their trading partners. Both initiatives were important, however, the volume of reimbursable IGTs for larger agencies, such as DOD, prompted senior leaders to consider the necessity of an end-to-end solution. DOD, in particular, concluded that improving interoperability between trading partners, streamlining end-to-end processes, reducing transaction processing costs, and achieving and sustaining auditable reimbursable processing cannot be achieved solely by introducing standardized data elements and scorecards. In light of this, DOD decided to evaluate IPP as a potential solution for reimbursable IGT end-to-end processing. IPP infuses balanced tracking discipline into the process. The goal is to get away from "pay and chase" scenarios (i.e. IPAC) and get buyers and sellers to produce the evidentiary matter on agreements, receipts, and payments. Mr. Hammond noted the similarity to the FPRC goal of achieving evidentiary matter through automated logistics transactions. Ms. Kemp noted that Mr. Easton, DOD Deputy Chief Financial Officer, issued a memorandum in April 2015 mandating that all terms and conditions be recorded in IPP. The key business difference is documenting the seller's performance reported to the buyer. The buyer will not be able to issue payment until they confirm receipt. The plan is to make IPP a Government-wide solution. OUSD(C) and Treasury offer a 1.5 hour presentation and demonstration on IPP.

During the spring of 2013, DOD developed a project charter outlining proposed project governance, project management, strategies and controls that team members could use during the IPP IGT implementation. The project charter was approved and published on July 15, 2013. On August 5, 2013, DOD issued a memorandum announcing its partnership with Treasury to implement IPP as DOD's core system to manage inter- and intra-governmental reimbursable transactions and documentation. According to Mr. Easton, "This partnership will strengthen management and accountability for nearly \$273 billion [per year] in intra-governmental business." The DOD memorandum established a DOD-wide chartered IPP implementation governance board and announced that the Office of the Under Secretary of Defense (Comptroller) Business Integration Office (BIO) would lead implementation efforts in coordination with the Department of the Navy. As DOD's executive agent, the Navy is responsible for planning and overseeing Component execution plans.

Treasury introduced a data standard for reimbursables via the standard IAA. DOD also implemented SLOA and procurement data standards, which encompass Treasury's required data elements to be used across DOD. Finally, and perhaps the most important enabler to success, DOD has invested in the GEX centralized data hub, to facilitate the exchange of reimbursable

transactions between the Army, Navy, Air Force, Marine Corps and other DOD Component financial management and acquisition systems. GEX is used in this environment to facilitate consistent data quality and standards, data error handling and a full audit trail. GEX receives transactional data from multiple source systems across DOD and maps the disparate data feeds and elements into a standard data element structure. These standard data elements can then be readily routed to IPP and different systems throughout DOD. This will standardize the data flow between IPP and DOD systems and reduce the need for point-to-point interfaces. The IPP solution is expected to accommodate multiple systems across the DOD with different data elements/standards. By using GEX, all required systems will be able to communicate seamlessly while maintaining consistent data standards.

b. Government Wide Accounting (GWA) – Treasury Central Accounts Reporting System (CARS). Ms. Shaquita Darby of Treasury presented an overview of CARS, which is the Treasury's official system of record of account status. She showed the Agency Location Code conversion dashboard, with information regarding the status of Treasury Disbursed Office (TDO) transition efforts to Daily Treasury Account Symbol/Business Event Type Code (TAS/BETC) reporting, noting that CARS is unable to support a subset of ALCs becoming TAS/BETC Reporters prior to elimination of Treasury's STAR central accounting system. Department of Defense has 23 TDOs of which 15 or 65% have transitioned to TAS/BETC. She noted that Fiscal Services - Payment Management, is leading an effort to convert all Non-Treasury Disbursed Offices (NTDOs). There are 499 NTDO ALCs that have payment activity and 18 NTDOs that do not. Information on CARS webinar events are updated online at: www.fiscal.treasury.gov/fstraining/training/fs_cars_changes_webinar_sessions.htm. Additional training is being developed for TAS/BETC, reclassification and system defaults.

c. SLOA Update. Mr. Joe Doyle, OUSD(C), gave a SLOA readiness status brief. SLOA was mandated by a [joint memorandum](#) issued OUSD(C) and the Office of the Defense Chief Management Office (ODCMO) on September 14, 2012. The objective of SLOA is to strengthen financial management across the DOD enterprise for audit readiness by reducing over 100 different lines of accounting to one standard line of accounting (i.e. minimum data requirements) and replace point-to-point interfaces with a common interface routing system. The first system priorities were contract/vendor pay and IGTs, followed by auditability of military and civilian pay. DFAS is integral to accomplishing a true end-to-end audit capability, which is key to making target and core systems auditable. Significant progress has been made in getting Component accounting systems configured and ready to transact through the GEX, with plans for a number of DFAS feeder systems. The SLOA Centralized Service for validating SLOA via the GEX is targeted to be online in August 2015. A SLOA crosswalk service for translation is to be in place by September 2017. OUSD(C) is preparing for this with Accounting and Finance Publishing (A&FP) related updates to the DOD FMR Volume 1, Chapters 4 and 7. The backup slides of Mr. Doyle's presentation listed some significant feeder systems implementing SLOA, though OUSD(C) is tracking all feeder systems as they are identified. Mr. Selester Copeland, Marine Corps, asked if the list could be shared with the FPRC representatives. Mr. Doyle agreed to provide the list.

Action:

- OUSD(C) to provide the current known list of feeder systems being tracked for SLOA compliance to the FPRC Chair for distribution to FPRC representatives. **Suspense: July 16, 2015.**

d. **Joint Interoperability Test Command (JTIC)**. Mr. Doyle explained that in July 2014, Mr. Easton, the DOD Deputy Chief Financial Officer, issued a memorandum introducing the “DOD United States Standard General Ledger and Standard Financial Information Structure System Testing Requirement.” Under the memorandum, JTIC performs independent validations of General Ledger, SFIS and SLOA compliance. For each system, JTIC will conduct an initial full assessment with subsequent years focused on following up on findings and assessing new requirements. Mr. Doyle estimated the initial sweep of JTIC validations could take a few years. JTIC will reach out to system owners to schedule engagements, sign a reimbursable agreement, and request system information for the validation. The test results will provide better assurance that systems are meeting audit readiness goals and are complying with the Business Enterprise Architecture’s latest version in support of DOD Component Pre-Certification Authority’s Defense Business Council funds certification process. Mr. Dole elaborated that the Defense Business Council is the organization through which programs must be certified for Business Enterprise Architecture (BEA) compliance, or have plans and milestones to become compliant, as part of their annual funds requests.

5. **Proposed DLMS Changes (PDCs)**. Mr. Hammond gave an overview of PDCs in staffing or under development.

a. **PDC 1043D - SLOA Sub Allocation**. SLOA established sub allocation as a new data element (to replace limit/subhead), which was incorporated into DLMS transactions with financial implications by ADC 1043. Limit/subhead is a data element on the Fund Code to Fund Account Conversion Table, but it was unclear during PDC 1043 staffing if it was synonymous with sub allocation. Moreover, there is a limit of 1296 possible fund code combinations for each service code and there was concern that Components may run out of fund codes if the data was not synonymous. Sub allocation has not been mapped to the limit/subhead data element on Fund Code to Fund Account Conversion Table. During the March 4th Finance PRC, Micky Chopra, OUSD(C), confirmed that limit/subhead can be subsumed into Sub-Allocation. PDC 1043D replaces limit/subhead with sub-allocation on the Fund Code to Fund Account Conversion Table and Web Fund Code application. Based on feasibility, the file layout for Fund Code to Fund Account Conversion Table retains the legacy name, but states that limit/subhead is now sub-allocation. PDC 1043 also addresses an issue identified by DLA to update DLM 4000.25, Volume 4 (MILSBILLS), Appendix 2.2 with DLA’s default line of accounting sub-allocation from 97X4930.5999 to 97X4930.5CBX.

b. **PDC 1043E UNDER DEVELOPMENT - SLOA Fund Code Edit**.

ADC 1043 prescribes Defense Automatic Addressing System (DAAS) edits to reject transactions where SLOA data in a transaction does not match the SLOA data for the fund code

on the Fund Code to Fund Account Conversion Table and to add select SLOA data elements to DLMS transactions during conversion of legacy transactions to DLMS or when missing from incoming DLMS transactions. This edit cannot be performed if the fund code is invalid or missing in the transaction (when required). Currently, the only enterprise DAAS Fund Code edit is for Signal Codes C/L, because DAAS is unable to identify the bill-to party from the Fund Code to Billed DoDAAC Table in order to route the transaction. However, Signal Codes A/B/J/K are not edited at the enterprise level. An invalid or missing fund code may lead the billing office to cite the Component's default line of accounting prescribed in DLM 4000.25, Volume 4 (MILSBILLS), Appendix 2.2. Consequently, transactions with invalid/missing fund codes are labor intensive to resolve, may require internal adjustments by the billed office and potentially may require adjustments to Treasury.

PDC 1043E, which is nearing staffing, will require validation of all fund codes at order entry points and DAAS for Signal Codes A/B/C/J/K/L. Fund code validation would be applicable to most ADC 1043 identified DLMS (and MILS equivalent) transactions with a financial implication, excluding post-post (after the fact) supply transactions, such as bearer walk-through transactions. Mr. Hammond noted cross-Component Interfund billing via Signal Codes C/L (e.g. Navy BRAC (Fund Code: J5) and Navy support to Army (Fund Code 7M)) must be considered. Mr. Hammond asked if Navy Fund Code 7M under Service Code N is still needed for Army support.

In a somewhat related matter, Mr. Hammond noted that improper use of F series Document Identifier Codes (DICs) (e.g. FS1) for non-Interfund billing vice G series DICs precludes automated non-interfund billing. The DLMS 810L supports automated non-Interfund billing via qualifier "CA" at 1/BIG07/020. See MILSBILLS paragraph C2.2.7.3.

PDC 1043E also includes an administrative update removing references to phased out F3885 suspense account. ADC 294 removed suspense account F3885, but the narrative was retained in MILSBILLS, because Navy was granted a waiver. Navy no longer uses suspense account F3885, so references to suspense account F3885 may be removed from MILSBILLS.

Action:

- Navy validate if fund code 7M supporting Army is still needed. **Suspense: August 31, 2015.**
- DLA and other sources of supply report to FPRC Chair any billing system improperly citing F series DICs for non-Interfund billing and actions planned or taken, such as system change requests to comply with policy. **Suspense: August 31, 2015.**

c. **Obligation IC UNDER DEVELOPMENT.** Obligations are needed to clear automated Interfund bills. When orders are not originated in a Component's ordering system, obligations cannot be recorded at the line item level to support compliant Interfund detail bills at the line item level. In these instances, billing offices may "roll up" Interfund detail bills, using a single detail bill with a quantity of one each, an invalid NSN/part number and a price representing the total value of the items included in the bill. This practice is not in compliance

with policy, results in extensive, costly manual labor to perform a three way match between the obligation/order, receipt and bill and is a serious audit readiness issue for Components that has Senior Executive Level (SES) interest. It also results in some bills being processed via non-interfund procedures, such as Intragovernmental Payment and Collection (IPAC), which is cumbersome, labor intensive, error prone and results in delayed revenue for the seller. Moreover, automated supply transactions that serve as the evidentiary matter for audit are routinely suppressed when there is no obligation at the line item level. Some processes where DLA provides obligation data to Components include the funds verification process developed for EMALL and the point-to-point user defined files (UDF) supporting DLA fuels and the KYLOC process for uniforms. DLMSO, DLA, DFAS, the Defense Enterprise Accounting and Management System (DEAMS) Program Management Office (PMO) and DLA Transaction Services are working on a new American National Standards Institute (ANSI) X12-based DLMS 821 Financial Reporting IC for reporting obligations via DAAS to fill the void. The ANSI X12 821 transaction set is used in other DOD processes (i.e. Defense Travel System, credit card), but not DLMS. A PDC will be developed and staffed to propose establishing the DLMS 821 and associated procedures. Initially, DAAS will translate between the DLMS 821 and a UDF based on the DLA fuels or KYLOC UDF until the DLMS obligation transaction is fully implemented. Mr. Copeland, Marine Corps, asked to be part of the 821 IC development and sees potential for the IC to provide solutions for a variety of scenarios.

6. **Summary of Open FPRC Action Item Status.** Mr. Hammond led a brief review of action items from the March 4, 2015 FPRC meeting. Updates are captured in the [action item tracker spreadsheet](#) posted to the FPRC [web page](#). Ms. Sweetser noted that, related to one of the open action items, there are 48 bills from DLA for which she requested DLA help in researching or in obtaining billing reversals. Ms. Sweetser noted that Mr. Ronnie Daniels, DFAS, has been very helpful in clearing most of the bills presented following the March 4, 2015 FPRC. Ms. Sweetser subsequently provided DLA with an updated listing of the 48 remaining questionable bills, highlighted for bills citing expiring year bills or those that have already expired.

7. **Air Force Topic - Navy Bills Lacking Unit Price and Day of Year.** Ms. Angel Sweetser, DFAS representative supporting Air Force, briefed a bill processing issue recently encountered where Navy bills are missing data for the unit price and day of year. Mr. Kevin Doan, DFAS, noted that his system is not testing for these elements, but is aware of bills from DLA missing the same elements.

Action:

- FPRC Chair will coordinate a meeting between DLMSO, DFAS, Air Force, Navy, and DLA to further investigate the issue of bills missing unit price and day of year. **Suspense: August 31, 2015.**

8. **Federal Agency Briefings.**

a. **Federal Aviation Administration (FAA).** Ms. Nancy Cordell, FAA, briefed FAA's transition from General Services Administration (GSA) support for Interfund billing. In October 2013, GSA fielded a new ERP no longer supporting Interfund billing for FAA and the National Oceanic and Atmospheric Association (NOAA). An FAA ERP is in development, which will process DLMS 810L Interfund bills. In the interim, FAA developed processes and implemented agreements with key parties to enable FAA's legacy system to process Interfund bills. FAA is ahead of others, having incorporated Treasury Accounting Symbol/Business Event Type Code (TAS/BETC) requirements into its Treasury reporting via the Classification Transactions and Accountability (CTA) reclassification module.

b. **General Services Administration (GSA).** Ms. Roxanne Degner, U.S. Department of Agriculture (USDA) noted that when GSA transitioned to their new ERP, GSA decided to initially use the existing GSA legacy Interfund processes without modification, recognizing there were gaps needing to be addressed in the future. In April 2014, GSA announced it would cease to be a shared financial services provider. GSA began a review of other financial service providers and in January 2015 selected the Department of Agriculture as GSA's financial services provider, where Ms. Degner is now assigned. During the briefing, Ms. Cheryl Haines, DLA, noted that there are serious issues with GSA assigning DoDAACs to entities that are not federal agencies, which are subject to different billing rules and must be properly identified as non-federal trading partners for financial eliminations. This is outside Ms. Degner's area of responsibility and must be addressed by the GSA DoDAAC Central Services Points. Ms. Haines promptly provide a listing of questionable DoDAACs, which was referred to the DLMSO DoDAAD PRC Chair.

9. **DLA Transaction Services Overview.** Mr. Eric Flanagan, DLA Transaction Services, gave a brief overview of what DLA Transaction Services does for Components and trading partners. In short, they are DOD's workhorse for transaction processing and logistics support, operating 24x7, 365 days a year. DLA Transaction Services supports Acquisition, Finance, Logistics, Transportation, Healthcare and Travel business areas, and enables interoperability between disparate DOD networks/systems. They process approximately 21 million transactions per day in support of over 225,000 DoDAACs (MILS) and more than 32,000 trading partners. DLA Transaction Services manages DAAS, which processes logistics transactions. Mr. Flanagan walked through a DAAS requisition to billing transaction scenario to explain how DAAS reads, edits and routes logistics transactions. He then described some Web resources, including MILSBILLS Inquiry (MILSINQ), DAAS Inquiry (DAASINQ) and Logistics Data Gateway (LDG), along with the information available in prepared reports and programmed queries.

10. **Tour of DLMSO Website.** This briefing, the remaining briefings discussed below and the DLMSO "Art of Logistics" video were deferred due to audio problems and will be presented at a later date. Briefing slides are hyperlinked here and on the agenda. This briefing provides a demonstration of the information available from the DLMSO Website (www.dla.mil/j-6/dlms/). Some examples of key pages include: FPRC page, archived minutes, DLMS changes (Proposed and Approved), DLMS ICs, DLMS manuals and DLMSO PRCs and DLMSO chartered DLMS working group points of contact.

11. **How Fund Codes Work - Web Fund Code Demo.** This briefing identifies the relationship between fund code, signal code and DoDAAC in transactions. It identifies the three

fund code tables and explains each. The signal code identifies the ship-to party and the bill-to party. The bill-to party can either be the requisitioner, the party identified in the supplementary address field (in the case of Signal Codes A/B/J/K) or the party identified on the Fund Code to Billed DoDAAC Table (in the case of Signal Codes C/L). The Fund Code to Fund Account Conversion Table provides the line of accounting (LOA) or identifies non-Interfund billing from: 1) the Service/Agency (first character of the bill-to party DoDAAC), 2) the Signal Code Group (A/B/J/K or C/L) and 3) and the fund code in the transaction. In the case of Signal Code Group C/L, the fund code also identifies the bill-to DoDAAC for "third party billing" in the Fund Code to Billed Office DoDAAC Table. A separate table, the Table of H Series DoDAACs, identifies defense agencies with "H" series DoDAACs that are authorized to use Interfund billing. There are very few H Series DoDAACs capable of and approved for Interfund billing; adding new ones requires DLMSO FPRC Chair and "H" series fund code monitor approval. The briefing screen shots of the Web Fund Code application showing the functionality, data content and edits for different scenarios.

12. DLMS Finance Training Module 10. This briefing presents the DLMS Introductory Training module, covering the DLMS Functional Finance Transaction Life-cycle to assist participants in understanding the DLMS process from a Finance perspective. This module presents a basic understanding of supply and financial transaction process relationships, the major DLMS financial concepts and processes associated with the transactions, the DLMS 810L/812R/812L and DLSS/DLMS data maps. The module is one of a set of training materials available on the DLMSO Website. DLMSO maintains the training modules to provide full day, in-person training. DLA is in the process of adapting the training modules to training tools, which are more resource efficient and enable self-paced training.

13. Overview of Select Transaction Services Web Resources. This briefing provides screen shots of fund code and Interfund billing report resources available on the Web from DLA Transaction Services, some related to Mr. Flanagan's earlier DLA Transaction Services presentation. All the resources require DOD public key infrastructure (PKI)/common access card (CAC) access and submission of a system access request (SAR) to DLA Transaction Services. The briefing highlights the DLA Transaction Services [homepage](#) to initiate a SAR. Once access is granted, each system requires activity every thirty days to maintain access. If access lapses, there is a limited time for the DLA Transaction Services Help Desk to reactivate the access, otherwise the SAR process has to start over. Screen shots demonstrate how to access finance related reports from select services, including the monthly fund code report and Interfund billing adjustment reports from the Logistics Reports service, overall and Component specific fund code data files from enhanced DAAS Inquiry (eDAASSINQ), billing transactions from MILSINQ, and investigating requisition data in Web Visual Logistics Information System (WEBVLIPS).

14. Overview of DLMS 810L Logistics Bill. This briefing provides basic training on how to interpret the DLMS 810L IC, including the looping structure, mapping data from DLMS to MILS and the convention for referencing tables, segments and elements in reading DLMS change proposals. Note that the DLMS notes referenced in the IC are essential for understanding the transaction. SLOA data elements were added under the ADC 1043 series. The intent of the briefing is to provide familiarity with the transaction and to serve as a reference resource when reviewing DLMS changes.

15. **The Art of Logistics Video.** The video is hyperlinked here and on the agenda. Mr. Hammond recommended those new to the DLMS watch a DLA produced video to get a brief introduction on the history and role of the DLMS. Participants are welcome to refer others to the video. Note that at the time the video was made, the "S" in DLMS had stood for "System". The recent reissuance of DODD 8190.01 (January 15, 2015) formally changed the "S" to stand for the more accurate term "Standards" now in use since. The video has not been updated to reflect the change.

16. **Concluding Remarks.** Mr. Hammond thanked all meeting participants for their contributions and for sharing their experience and knowledge.

Next Meeting: A meeting dedicated to the training topics will be scheduled in the coming months. Future Finance PRC meetings, including focused topic meetings and deferred training topics, will be scheduled as needed.



ROBERT HAMMOND
Chair, DOD Finance PRC

Approved: 

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