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

March 15, 2018

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Defense Logistics Management Standards (DLMS) Finance Process Review
Committee (FPRC) Meeting of February 14-15, 2018

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

      The Enterprise Business Standards Office point of contact is Mr. Robert Hammond,
FPRC Chairman, email: financehq@dla.mil, phone: 703-767-2117.

                           HEIDI M. DAVEREDE
                           Director,
                           Enterprise Business Standards Office

Attachment:
As stated

cc:
ODASD (SCI)
OUSD(C)
Finance PRC members
Fund Code Monitors
Meeting attendees

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MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards (DLMS) Finance Process Review Committee (FPRC) Meeting of February 14-15, 2018

      Purpose: The Enterprise Business Standards Office (EBSO) hosted an FPRC meeting at DLA Headquarters, Fort Belvoir, Virginia and via telephone conference, with approximately 339 participants. On February 14, 2018, EBSO provided training specific to the DLMS logistics transaction lifecycle, Interfund billing, and the DOD Enterprise fund code management process. Topics for February 15, 2018, included Component fund code management procedures and systems, planned improvements to the Web Fund Code application managed by Defense Automatic Addressing System (DAAS), data quality, and briefings on topics of interest. The briefings, all meeting related materiel and list of participants are posted on the FPRC webpage at http://www.dla.mil/HQ/InformationOperations/DLMS/Archives/finance.

      Brief Summary of Discussion: Mr. Robert Hammond (FPRC Chairman) facilitated the meeting discussion. The Chairman extended his sincere thanks to all who participated and especially to the following presenters, whose presentations were absolutely superb: Ms. Angel Sweetser (DFAS-Columbus); Mr. Max Louis (DFAS-Indianapolis); Mr. Joshua (Josh) Sherman (DFAS-Cleveland); Ms. Maria Summers (DLA); Mr. Shawn Lennon (Army); Mr. Allen (Al) Coleman (DAAS); Mr. John Eberhardt, Mr. Michael Shannon, and Ms. Jessica Chao (Office of the Under Secretary of Defense, Comptroller (OUSD(C)).

1.   **Welcome and Opening Comments**. Ms. Heidi Daverede, the EBSO Director, extended her appreciation to all meeting participants and encouraged open, frank discussion. Mr. Hammond addressed the EBSO mission as the Executive Agent for the logistics information exchange, fostering interoperability and facilitating Enterprise integration and continuous improvement of operations by developing and maintaining the DOD logistics Information Exchange Infrastructure and publishing detailed guidance that identifies who does what, when, and how along the DOD logistics chain. He described the structured, disciplined DLMS change process and the frequent collaboration that occurs among the DLMS Process Review Committees (PRCs) and chartered working groups.

2.   **DLMS Finance Transaction Life-cycle Training (FMF7318)**

      a. Mr. Hammond presented training on the DLMS Functional Finance Transaction Life Cycle from the initiation of a typical supply order through all subsequent supply and finance

events, including billing, billing adjustment (as needed) and Treasury reporting. A key element of this training is the immense power of the DLMS variable-length transactions to not only convey all of the data of legacy MILS 80 record position transactions, but to convey extended data as discrete data elements in order to facilitate process improvements. Some DOD strategic initiatives, such as Standard Line of Accounting (SLOA), can only be accomplished using DLMS variable-length transactions. Mr. Bob Carroll noted that his office staff, Office of the Deputy Assistant Secretary for Defense for Supply Chain Integration (ODASD (SCI)), is monitoring DLMS implementation, including implementation of Approved DLMS Changes (ADCs), such as the ADC 1043 series applicable to SLOA. DOD mandates DLMS implementation by 2019.

   b. This training module addresses the key role of DAAS as an organization and a system managed by that organization. It performs the following: 1) routes transactions, 2) performs edits, 3) enables interoperability between disparate DOD networks/systems by mapping between DLMS and legacy MILS transactions (depending upon trading partner capabilities), 4) serves as the authoritative source for fund code and DoDAAC data, and 5) serves as the DOD transaction repository for audit readiness evidentiary matter. In that regard, Mr. Eric Flanagan, DoD MILSTRAP Administrator, presented training on key DAAS web resources to retrieve transactions and reports and conduct research. He walked through a requisition to a billing transaction scenario to explain how DAAS reads, edits, and routes logistics transactions. He then described some web resources, including MILSBILLS Inquiry (MILSINQ), enhanced DAAS Inquiry (eDAASINQ), Web Visual Logistics Information Processing System (WEBVLIPS), and Logistics Data Gateway (LDG), along with the information available in prepared reports and programmed queries from these resources.

   c. This training module also addresses the DLMS 810L Logistics Bill, DLMS 812R Request for Billing Adjustment and DLMS 812L Reply to Request for Billing Adjustment. It walks through a typical DLMS 810L Logistics Bill, showing the mapping from MILS to DLMS to MILS and the vast power of DLMS in conveying additional data.

   d. OUSD(C) approved this training module for DOD Financial Management Certification Program credit at Level 3 in the areas of Financial Systems (three hours of credit) and Budget Execution (one hour of credit). Those who participated and notified the EBSO via email received certificates, as shown in Enclosure 1. EBSO may offer additional instructor-led training; however, the goal is to develop a computer based training module. Existing DLMS training modules are accessible from the EBSO Website at http://www.dla.mil/HQ/InformationOperations/DLMS/eApplications/Training/.

Action:
▪ Those who participated in the training but not listed in Enclosure 1 and desire a certificate of training completion should send an email to paul.macias.ctr@dla.mil. **Suspense: April 16, 2018.**

3. **Web Fund Code Training (FMF7360)**

      a. This training module addresses the relationship of the fund code, signal code, and DoDAAC data elements in a transaction for determining the bill-to party and the line of accounting (LOA). The signal code identifies the ship-to party and the bill-to party. The bill-to party can either be the requisitioner or the party identified in the supplementary address field (in the case of Signal Codes A, B, J, or K), or the party identified in the Fund Code to Billed Office DoDAAC Table (in the case of Signal Codes C or L). In DLMS variable-length transactions, the ship-to party and the bill-to party are discrete data elements.

      b. This training module addresses the three relational DAAS fund code tables and explains each:

      (1) The first table (MILSBILLS Appendix 1.1), is the Fund Code to Fund Account Conversion Table, which provides the LOA or identifies non-Interfund billing from: 1) the service/agency code (first character of the bill-to party DoDAAC), 2) the Signal Code Group (A/B/J/K or C/L), and 3) the fund code in the transaction.

      (2) The second table (MILSBILLS Appendix 1.2), is the Fund Code to Billed Office DoDAAC Table, which - when used in conjunction with Signal Code Group C/L - identifies the bill-to DoDAAC for "third party billing" from the fund code and the service/agency code of the requisitioner.

      (3) The third table (MILSBILLS Appendix 1.3) is the Table of H Series DoDAACs Authorized to Use Interfund billing, which identifies defense agencies with H series DoDAACs authorized to use Interfund billing. There are very few H Series DoDAACs capable of and approved for Interfund billing. Adding new ones requires DLMS FPRC Chairman and H series Fund Code Monitor approval.

      c. The training included detailed screen shots and discussion of the Web Fund Code application used by Component-designated fund code monitors to add, delete or change fund codes for their Component through common access card-controlled, role-based access. It also describes the edits within the application and the business rules for each data element.

      d. OUSD(C) approved this training module for DOD Financial Management Certification Program credit at Level 3 in the areas of Financial Systems (one hour of credit) and Budget Execution (one hour of credit). Those who participated and notified the FPRC Chairman staff via email will receive certificates. A current listing of participants issued certificates is in Enclosure 1.

Action:
▪ Those not listed in Enclosure 1 who participated in the training and desire a certificate of training completion should send an email to paul.macias.ctr@dla.mil. **Suspense: April 16, 2018.**

4. FIAR and Fund Code Refresher

At the start of the second day, Mr. Hammond reviewed some of the key points from the training, regarding EBSO, DLMS variable-length transactions, logistics billing and fund code business rules He expanded upon EBSO's support toward DOD in achieving a clean audit opinion with respect to DLMS transactions, DLMS procedures and audit evidentiary matter. Mr. Hammond noted that where a gap may exist between practiced procedures and documented DLMS procedures or where an interim mitigation strategy may be necessary to satisfy an immediate audit concern, Components should nevertheless seek an approved DOD solution via the structured DLMS change process. Mr. Hammond noted that Components should cite DLMS procedures in their process cycle memorandums and corrective action plans. Mr. Hammond reviewed resources available from the EBSO Website, including points of contact. He noted that, while EBSO has a small staff, EBSO is ready to assist with audit issues, through each Component's process review committees and chartered working group representatives.

5. Component Fund Code Management Processes and Systems.

a. **Air Force Fund Code Process**. Ms. Angel Sweetser presented the process flow and procedures for requesting Air Force fund codes. The process begins with the customer filling out DFAS-CO Form 3003, Appropriation Request Form, specifying the appropriation information. DFAS uses the customer information to generate a DFAS-CO Form 247, Standard Data Element and Related Features Request, to assign the fund code and note codes for transaction processing business rules. If needed, the fund code team enters a new fund code in the Air Force Financial Management Data Dictionary, which contains a current listing of financial management codes (including future and historical codes). If the fund code is for use with Interfund, the Air Force Fund Code Monitor uses the DAAS Web Fund Code application to enter the fund code and appropriation data for Signal Code Group A/B/J/K. Air Force does not currently create a new fund code each year for the same appropriation. Most operations and maintenance appropriations use the symbol # as the fiscal year indicator to determine the beginning and ending fiscal year periods of availability from the Julian date of the requisition. However, Air Force also uses the symbol # for multi-year appropriation, such that the correct beginning and ending periods of availability can only be determined from the DLMS variable-length transaction. If the customer requests third party billing using Signal Code C or L, the Fund Code Monitor works with the customer to determine the bill-to DoDAAC and third party billing fund code and enters it into the Web Fund Code application. The third party billing fund codes are currently set up so that each base that uses third party billing has its own set of fund codes, usually starting with a different letter of the alphabet and not conflicting with other fund codes. The Air Force fund code monitors are Ms. Sweetser and Ms. Diana Ritzert.

b. **Army Fund Code Process**. Mr. Max Louis presented the process flow and procedures for processing requests for Army and defense agency H series DoDAAC fund codes. The first step when a request comes in is to validate the LOA against the DFAS Manual 7097.01. Next, the fund code team validates the LOA against existing fund codes in DLM 4000.25, Volume 4, Appendix 1.1 to ensure that there is not already a fund code assigned. The fund code team adds any new fund codes to the DAAS authoritative database using the Web Fund Code application. The Army/H series DoDAAC monitor team includes Ms. Tamara E. Crouch, Ms. Laura Gentry, Ms. Angeline Allen, Ms. Lorraine Lawrence and Mr. Hermon (Trey) Dixon.

c. **Navy Fund Code Process**. Mr. Josh Sherman described the process for maintaining the Navy's Universal Fund Code Table, which is the basis for updating the fund codes in the Web Fund Code application. As part of the entry into the Web Fund Code application, Navy uses the Agency Narrative field to identify the Navy entity owning the LOA. Mr. Sherman also included the process steps that Navy follows to review fund codes annually. The Navy fund code monitors are Mr. Josh Sherman and Ms. Dana Malone.

d. **DLA Fund Code Process**. Ms. Maria Summers explained how DLA maintains fund codes with Service/Agency codes S, T, and U. Notably, DLA maintains near real-time system-to-system synchronization of fund codes entered into the Web Fund Code application by any Component with DLA's Enterprise Business System (EBS). This eliminates the need for manual data entry in EBS. DLA Finance assists and educates end users regarding the impact to the billing process when service code, signal code, or fund code use is incorrect. DLA is in the process of implementing fund code edits upfront in offline ordering processes, where the orders do not pass through DAAS for validation. The DLA fund code monitors are Ms. Summers and Mr. Michael Lane.

6. **DAAS Fund Code Edit Presentation**.

Mr. Al Coleman, DAAS, gave a brief overview of DAAS edits regarding the signal code and fund code data elements. DAAS has existing edits to reject transactions with missing or invalid fund codes for Signal Codes C and L, as DAAS would be unable to determine the bill-to DoDAAC to route the transactions via the third party billing Fund Code to Billed Office DoDAAC Table. ADC 1043E introduces a requirement to validate the fund code when the Signal Code is A, B, J, or K. Mr. Coleman noted that Components should validate and update their entries to both the Fund Code to Fund Account Conversion Table (a.k.a. FCA table) and the Third-Party Billing Table (a.k.a. FCB table) data in a timely manner to preclude transaction failure.

Mr. Coleman gave an example of a component-unique set of edits/business rules requested by Army in 1996, which are not documented in DLMS manuals or an approved DLMS change. Army requested the edits because DAAS rejected a large number of requisition modifier and follow-up/reinstatement transactions (legacy DIC AM_/AT_ transactions). This led to an unintended de-obligation of $24M in funds. Mr. Coleman indicated that Army unique business rules and tables are impeding efficient application of ADC 1043 series SLOA edits. Together, DAAS and EBSO asked the Army FPRC representative to coordinate with the Army Supply PRC representative to determine if the business rules are still necessary and, if so, to submit a Proposed DLMS Change (PDC)). DAAS is currently reviewing other component-unique business logic.

Mr. Coleman addressed another unique business rule established for DLA and U.S. Army Medical Command (MEDCOM) involving Fund Code 7H. Fund Code 7H triggers a special rule between DLA and MEDCOM, allowing the Army access to DLA funding to replenish DLA owned inventory managed at Army medical sites. The original order comes from the Army with Signal Code A, identifying the requisitioner DoDAAC as the bill-to party. There is an undocumented business process whereby DAAS flips the bill-to party to DLA as transactions route. DLA then uses an internal process to suppress any bills. DLA bills Army when the Army

customer later consumes the material. Using this undocumented process impedes end-to-end traceability via logistics transactions and is an audit concern. Together, EBSO and DAAS, asked the DLA FPRC representative to coordinate with the DLA Supply PRC representative to explore whether or not this same Fund Code 7H functionality can be achieved by correctly identifying the bill-to party in the transaction to direct the bill to DLA. Alternatively, DLA could submit a PDC to document the process. Mr. Hammond also asked the DLA and Army representatives to document the current interim process in the applicable process cycle memorandum(s), if DLA and Army have not already done so. Mr. Hammond also asked the DLA and Army representatives to incorporate any proposed solution into an audit corrective action plan, pending full implementation of any process/system changes.

Action:

- ▪ Mr. Rossi, Army, coordinate with DAAS to review Army-unique business logic as a whole, including business rules established in the late 1990s (refer to DAAS presentation slide 10). If needed, submit a PDC and provide initial status to DAAS and the FPRC Chairman. **Suspense: April 23, 2018.**
- ▪ Ms. Summers, DLA, coordinate with the DLA Supply PRC representative to engage DLA J3 Order Management, and DLA Troop Support to explore whether or not this same Fund Code 7H functionality can be achieved by correctly identifying the bill-to party in the transaction to direct the bill to DLA or, in the alternative, to submit a PDC. Document the current interim process in applicable process cycle memorandum(s) if DLA and Army have not already done so. Incorporate any proposed solution into an audit corrective action plan pending full implementation of any process/system changes. Provide initial status to DAAS and the FPRC Chairman, including any coordination issues. **Suspense: April 23, 2018.**

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7. **EBSO**

    a. **Fund Code Data Quality**.

Mr. Hammond briefed the SLOA related ADC 1043-series edits implemented by DAAS to catch fund code and SLOA issues early in the supply ordering process. Prior to ADC 1043, DAAS fund code edits consisted of:

1) rejecting transactions with Signal Code C or L that do not have a fund code on the Fund Code to Billed Office DoDAAC Conversion Table for that Service Code,

2) rejecting, with status code CX, Army transactions where the fund code is missing or invalid on the Fund Code to Fund Account Conversion Table for Signal Codes A, B, J, and K; and,

3) rejecting transactions for H Series bill-to DoDAACs not on the Table of H Series DoDAACs Authorized Interfund Billing (MILSBILLS Appendix 1.3) citing other than non-Interfund billing fund codes (e. g., Fund Code XP).

In the previous three cases, DAAS cannot determine if the buyer is using the correct fund code; only that it is a valid fund code.

The ADC 1043 series of changes adds the following requirements for transaction validations related to fund codes, which are relevant to this discussion:

- DAAS rejects transactions where SLOA data in a DLMS transaction does not match SLOA data in the Fund Code to Fund Account Table for specific transactions, using the DLMS 870S Supply Status transaction and Status Code CF to provide notification of the rejection [ADC 1043].

- DAAS rejects specifically identified transactions with invalid fund codes or missing fund codes in instances where they are required. [ADC 1043E].

- Components extend DAAS edits to ordering processes/systems where customers place orders outside of the Component's Supply ordering system and the orders do not pass through DAAS before reaching the source of supply (e.g., DOD FEDMALL, call centers, STORES (subsistence), etc.) [ADC 1043E].

- DAAS inserts SLOA data from the Fund Code to Fund Account Conversion Table into select DLMS transactions where it is missing or upon conversion from incoming MILS to outgoing DLMS [ADC 1043].

- DAAS rejects DLMS 810L Logistics Bill, 856S Shipment Status, 867I Issue and 940R Materiel Release transactions for specific scenarios containing discrete SLOA elements not matching the Fund Code to Fund Account Conversion Table for the Fund Code cited in the transaction. The DLMS 824R Reject Advice transaction and Reject Advice Code BU provides notification of the rejection [ADC 1043A].

- DAAS extends fund code validation edits to Signal Codes A, B, J, and K in select transactions (excludes post-post (after the fact) transactions and 810L Logistics Bills). [ADC 1043E].

Recently, DAAS implemented ADC 1043E edits, extending fund code validation to scenarios where the Signal Code is A, B, J, or K, in a phased implementation. DAAS/EBSO immediately withdrew the edits from production when transactions not covered by ADC 1043E failed DAAS edits and were rejected (e.g., Signal Codes D and M (free issue)), together with transactions that the edits were designed to catch in order to preclude inaccurate Treasury reporting. EBSO is providing Components information that we are aware of regarding issues that they need to research and address (such as specific, invalid fund codes, which are not on the DAAS fund code tables) prior to the edits being restored to production. Meanwhile, DAAS is performing additional testing to ensure that the edits are functioning as intended. The FPRC Chairman requests that Component FPRC representatives, in coordination with their Supply PRC counterparts, advise the Chairman by May 1, 2017 that they corrected all identified issues causing transactions to fail ADC 1043 SLOA edits and that their Component is able to receive and process the DLMS 870S with Status Code CF and the DLMS 824R with Reject Advice Code

BU. EBSO requests that DAAS advise the Chairman upon completing satisfactory retesting by May 14, 2017.

Meanwhile, in a separate presentation under agenda topic 8, Ms. Cynthia Rothberg (Navy) outlined the process flow for Navy Foreign Military Sales (FMS)/Security Cooperation requisitions from the countries through the Navy's Management Information System for International Logistics (MISIL) and the Defense Security Cooperation Agency's (DSCA's) Security Cooperation Enterprise System (SCES). Ms. Rothberg noted that requisitions coming from the countries do not contain the signal code or fund code (which MISIL or SCES then add), such that there is a need for a PDC to exempt these inbound requisitions from the countries, while retaining the edits for transactions exiting Component FMS/Security Cooperation systems. See topic 8, under the heading, "Navy FMS Order Process Flow."

Mr. Hammond also previewed high-level requirements to enhance the Web Fund Code application used by fund code monitors to manage their Component's fund codes, in order to improve data quality and integrity between FCA and FCB table data, the DoDAAD, and SFIS/SLOA master data. Those requirements include: 1) synchronizing the FCA and FCB table input by not allowing a fund code addition or deletion to one table but not the other; 2) notifying the applicable fund code monitor(s) when a DoDAAC on the FCB table is deleted, and 3) validating SLOA data against the SFIS Values Library Master Appropriation Data. OUSD(C) discussed the SFIS Values Library in topic 9.a, under the heading, "SFIS/SLOA." DAAS presented a mock-up for how these changes might look in topic 11, under the heading, "DAAS Web Fund Code Application Synchronization Briefing."

Action:
- EBSO to provide Components information from its ADC 1043E transaction rejection analysis for them to investigate and take corrective action. **Suspense: March 18, 2018.**   - Components confirm to the FPRC Chairman their correction of known ADC 1043E transaction rejection issues and that their Component is able to receive and process the DLMS 870S with Status Code CF and the DLMS 824R with Reject Advice Code BU. **Suspense: May 1, 2018.**   - DAAS complete re-testing of the ADC 1043E edits and advise the FPRC Chairman. **Suspense: May 30, 2018.**   - Ms. Cynthia Rothberg, together with the DAAS Fund Code team, advise EBSO of how to distinguish the incoming requisitions from the FMS countries, which should not be subject to ADC 1043 SLOA edits, versus those from all FMS systems, which should be subject to the edits. In coordination with Kelly Pickett, DSCA, provide background for a PDC to exclude transactions from the countries, including background on all applicable FMS/Security Cooperation Systems. **Suspense: April 20, 2018.**   - FPRC Chairman, upon receipt of information sufficient to draft a PDC exempting inbound FMS country requisitions from ADC 1043 series SLOA edits, draft said PDC, to include synchronizing the FCA and FCB fund code tables and incorporating SLOA master file data edits. **Suspense: target is May 13, 2018.**

PDC 1288

Mr. Hammond gave an overview of the joint Supply/Finance PDC 1288, which will require DAAS to provide mandatory supply status to the bill-to DoDAAC to address a gap that exists when an obligation is not recorded against a requisition or appropriately updated based upon order processing. Missing obligations may be due to an order that is placed outside of a Component ordering system (e.g., orders submitted using web ordering systems) and other instances where the bill-to DoDAAC may not have visibility of the requisition (such as third party billing via the Fund Code to Billed Office DoDAAC Table). Providing supply status to the bill-to DoDAAC allows the financial system supporting the bill-to activity to establish an obligation based on the information conveyed by the status code in the event that one was not previously assigned.

PDC 1288 also extends ADC 1043 series SLOA/SFIS Fund Code to Fund Account Conversion Table edits to discrete data in DLMS variable-length supply status transactions. Rather than rejecting such transactions, DAAS will remove the mismatched SLOA data and separately advise the submitter, using the 856S with Status Code CX.

Inasmuch as Reject Status Code CX has many meanings, Mr. Hammond proffered that EBSO might propose a future DLMS enhancement to extend the status code data element to three characters in DLMS variable-length transactions to provide further granularity regarding the reason for rejection, while retaining only two characters in legacy MILS transactions.

Significantly, PDC 1288 contains staffing notes for Components to provide clarifying responses/impacts. For example, Components are to comment regarding whether or not routing supply status to the bill-to DoDAAC's data processing (DP) communication routing identifier (COMMRI) used for supply status transactions *vice* the Billing COMMRI will route status to the correct financial system for recording/adjusting the obligation or whether the routing should be reversed. In the absence of an automated interface between supply and financial systems, Components are asked to comment on whether or not obligations are adjusted, and, if so, how.

PDC 1288 proposes changes to MILSBILLS (DLM 4000.25M. Volume 4), which are significant to off-line ordering process, and includes a staffing note thereto:

> *C2.1.7.3. The bill-to party should obligate the entire properly made amount of a reimbursable order when the order is accepted* **[FMR].**

> *C2.1.7.4. The bill-to party must record obligations in the official accounting records at the time a legal obligation is incurred, or as close to the time of incurrence as is feasible. In no instance will the requesting agency record obligations any later than 10 calendar days following the day that an obligation is incurred* **[FMR].**

> *C2.1.7.5. The bill-to party must record obligations at the line item level with one requisition per line item. This supports required line-item detail billing for requisitions that will be billed via the DLMS 810L Logistics Bill.*

With regard to the proposed MILSBILLS requirement to record obligations at the line item level, Mr. Hammond noted that, while there are proposed solutions under consideration to facilitate

this in offline ordering processes, many processes would not be able to meet the requirement without significant re-engineering and systems changes. Furthermore, in some processes the trading partners may assess that only a bulk, Miscellaneous Obligation Reimbursement Document (MORD) may satisfy current operational and process requirements. If that is the case, DLMS enhancements (such as including a MORD number and other data elements in DLMS variable-length transactions) may facilitate automating the otherwise unsustainable manual bill processing by the DFAS Central Accounts Offices. This will only be possible once those DFAS and Component billing systems become fully DLMS capable.

Action:

- Components respond to PDC 1288 Staffing Notes. **Suspense: March 20, 2018 (request extensions if necessary).**

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8. **Navy FMS Order Process Flow**. Ms. Rothberg presented the Navy FMS requisitioning process to highlight a concern with the ADC 1043E fund code edit. The original orders from FMS customers do not include signal code or fund code. The DOD systems (i.e. MISIL/SCES) add the values as they process the requisitions from the FMS customer. Therefore, DAAS should not reject requisitions coming from FMS customers based on the lack of a signal or fund code, but should edit the requisitions coming from the Component FMS systems.

Mr. Hammond acknowledged the need for a PDC to exclude the FMS requisitions from the countries from ADC 1043 series SLOA edits, while maintaining the edits for transactions coming from Component FMS systems. The FMS community must provide background and logic for identifying transactions from the countries versus those from DOD FMS systems in order to support a PDC. See "Action" to topic 7.a.

9. **OUSD(C) Topics.**

    a. **SFIS/SLOA**. Mr. Eberhardt gave a succinct overview of SFIS and its importance. SFIS is a comprehensive data structure for financial management, enabling standardized financial reporting across the DOD. SFIS enables DOD to capture revenues and expenses by programs aligned with major goals, which allows DOD to compare programs more efficiently and effectively using a common valuation. There are three primary benefits to SFIS: audit, compliance, and cost savings. Each of these three areas, when combined, yield benefits in terms of informed decision-making and realizing savings anticipated by the Secretary of Defense.

Mr. Shannon further explained that the SFIS Values Library is the DOD FMR authoritative source for allowable SFIS values for specific SFIS data elements. Target systems must be compliant with the value lists. The SFIS Values Library is available from the SFIS Resource Page at http://dcmo.defense.gov/Products-and-Services/Standard-Financial-Information-Structure/SFIS-Values-Library-Service/.

Mr. Hammond reaffirmed that Components can only achieve full SFIS compliance in the logistics domain using DLMS variable-length transactions to convey discrete SLOA data elements. He then described a proposed enhancement to the Web Fund Code application (in conjunction with synchronizing the FCA and FCB tables) to validate fund code monitor input

against the SFIS Values Library Master Appropriation Data to improve the Web Fund Code application data.

b. **Intragovernmental Transactions (IGT) Initiative**

Ms. Jessica Chao gave a high-level update on developments with IGT. There is a DOD material weakness involving over $400 Billion in unbalanced Treasury accounts, of which 99 percent trace back to IGT. As part of the DOD's commitment to achieving an unmodified opinion in the audit of its full financial statement, the OUSD(C) Business Integration Office prioritized financial management improvement activities requiring Enterprise-wide changes to policies, procedures, regulations and systems. Intragovernmental transactions is one of 15 Enterprise financial management initiatives that the OUSD(C) Business Integration Office is spearheading.

DOD is collaborating with Treasury to implement G-Invoicing to provide order-to-delivery accountability. OUSD(C) has set a goal of implementing agreements with Components for G-Invoicing (similar to Form 7600 or Intra-Governmental Payment and Collection (IPAC)) over the next six months.

G-Invoicing will help the Department resolve several issues, including

- inability to properly account for, reconcile, and eliminate intragovernmental transaction balances,

- lack of proper supporting documentation unavailable for audit,

- buyer and seller transactions and accounting being out-of-balance and not reconciled,

- receipt and acceptance not generally being performed,

- buyer and seller not in full agreement on terms and detail of transactions, and

- status of interagency agreements not being clear, including remaining period of performance, available funding, unfilled orders, and paid orders.

The OUSD(C) G-Invoicing team is informing Components on the General Terms & Conditions (GT&C) capability in March toward having them negotiate buy/sell GT&Cs in the system with their trading partners. OUSD(C) will be conducing bi-monthly action officer status calls to monitor progress.

Interfund billing transactions and processes are intragovernmental transactions and processes, which are not currently in scope in the G-Invoicing initiative. However, Interfund billing must meet the same rigorous standards for buyer/seller accountability and Treasury reporting.

10. **Army Supply Process Flow**. Mr. Shawn Lennon gave an excellent presentation regarding Army's Logistics Modernization Program outbound MILSTRIP requisitioning process. The Army identified the MILSTRIP outbound process as a material assessable unit relevant to the Working Capital Fund Statement of Budgetary Resources. Army created the process maps shown in the presentation to provide additional details to the Army's auditor.

11. **DAAS Web Fund Code Application Synchronization Briefing**. Mr. Coleman walked through screen-shot mock-ups for synchronizing the data entry for FCA and FCB tables in the Web Fund Code application to ensure data integrity between the two tables. A fund code monitor will not be able to save an addition or deletion of a fund code to the FCA or FCB table without making a complimentary change to the other table. Mr. Coleman stressed that the table data must be accurate on both tables before DAAS modifies the Web Fund Code application to synchronize the tables.

Action:
▪ Fund code monitors report to the FPRC Chairman their completion of previously identified discrepancies between the FCA and FCB tables. **Suspense: April 2, 2018.**

12. **DLMS Website Tour**. Not presented due to time. EBSO posted the briefing to the EBSO Website www.dla.mil/does/DLMS. Some examples of key pages include; FPRC page, archived minutes, DLMS changes (proposed and approved), DLMS Implementation Conventions, DLMS Publications, and DLMS PRCs and chartered working group points of contact.

13. **Concluding Remarks.** Mr. Hammond thanked all meeting participants for their time and active participation. Mr. Hammond noted that there are two outstanding administrative actions requiring FPRC representatives' attention.

Action:
▪ Components that have not provided an appointment letter for FPRC representation, submit the digitally signed letter to EBSO@dla.mil in accordance with ADC 1240. **Suspense: ASAP.** ▪ Components review the ADC status report posted to the DLMS website and advise the FPRC Chairman of ADC implementation updates. **Suspense: March 31, 2018.**

Approved:
HEIDI M. DAVEREDE

ROBERT HAMMOND
Chair, DOD Finance PRC

Director,
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<u>Enclosure 1: Meeting Participants and Training Certificates Issued.</u>

See the list of participants with indicators as to those identified as trained during the FPRC below. Anyone who completed the **DLMS Finance Transaction Life-cycle Training (FMF7318)** or **Web Fund Code Training (FMF7360)**, but has not received a certificate of completion should send an email to paul.macias.ctr@dla.mil.

Name	FMF7318	FMF7360
Aaron Pysher	X	X
Abby Bender	X	X
Abigail Parsons	X	X
Adam DiEnna	X	X
Adam Walski	X	X
Adrian Bachnivsky	X	X
Akiko Billingsley	X	X
Allen Coleman	X	X
Alyssa Z Schreiner		
Amelia McGarvey	X	X
Amy Zink	X	X
Andrea Moses	X	X
Angel Sweetser	X	X
Angela Denise Chapman	X	X
Angeline Allen	X	X
Annette Johnson		
Antoni (Tony) Butkiewicz	X	X
Argemy C. Jennings	X	X
Arthur M Welsh		
Audrey Davis		
Avram Mechanic	X	X
Azra Sabanovic	X	X
Bao Nguyen	X	X
Barbara A Bail		
Barbara Curran		
Barbara Sexton	X	X
Barry O Griffin		
Benjamin Breen	X	X
Bernace Collier	X	X
Bettina R Maloney		
Beverly Burnett	X	X
Billie Jo Morgan	X	X

Name	FMF7318	FMF7360
Billie S Goff		
Bonnie S. White	X	X
Brian McGory	X	X
Brooke Bates	X	X
Cameron K Schrantz		
Cassandra L Anderson		
Carl E Pierce		
Carmen D Chapa		
Carol A Dennis		
Carolyn Flanagan	X	X
Carolyn R Green		
Carolyn Lutz	X	X
Carrie R. Glass	X	X
Carroll Grant	X	X
Cathy Shepard	X	X
Celeste D Morris		
Chandra Pothuru	X	X
Chandra Weatherford	X	X
Cheri S Budzinski		
Charlayne Martin	X	X
Charlene "Charlie" M. Loper	X	X
Charles Henry	X	X
Charles Hopkins	X	X
Charlotte Cobb	X	X
Cheryl Giffear-Sywkiw	X	X
Cheryl Halsey	X	X
Cheryl D Keitt		
Cheryl I Steptoe-Simon		
Christina Zalipsky	X	X
Christian A Ikeanyi		
Christopher Canitano	X	X
Christopher Craig	X	X
Christopher Fry	X	X
Christopher Mclachlan	X	X
Clinton J. Bennett	X	X
Colette C. Cormier	X	X
Corina J. Clingman	X	X
Cynthia Fisher	X	X

Name	FMF7318	FMF7360
Cynthia Rothberg		
Dana Malone	X	X
Danette Josey		
Daniel Nugent		
Darren E Robbins		
Dave Childress	X	X
David E DeChants		
Debra A. Amon	X	X
Debra Bakeoven		
Debra Stallings	X	X
DeGary Turner	X	X
Denise R Wellman		
Dennis M Gemzer		
Dennis McNamara	X	X
Dennis W Ross		
Devion Downs	X	X
Dewanda M Dial		
Diana Ritzert	X	X
Dianne White		
Diane Wood	X	X
Diante Myles	X	X
Donald Schlomer	X	X
Donyell Wade	X	X
Dorothy L Russell		
Douglas L Mummert		
Drexel K. Ross	X	X
Ebony C Smith		
Edna M. Willis	X	X
Edward N Davis		
Elizabeth Bundalian	X	X
Elizabeth Hacquard		
Elizabeth Haddow	X	X
Elizabeth Polizze	X	X
Emmanuel D Heggins		
Eric Curavo	X	X
Eric Engelbrektsson	X	X
Eric Flanagan	X	X
Eric Hatzenbeller	X	X

Name	FMF7318	FMF7360
Eydie M Platt		
Fauzia Chuhadry	X	X
Ferguson A. Johnson	X	X
Franklin Malick	X	X
Frederic Zeyer	X	X
Frederick King	X	X
Gail M Oliver		
Gary E Falwell		
Gary K Stover		
George F. Akers	X	X
George Sheehan	X	X
Glenys Vasquez-Banchon	X	X
Gordan Feric	X	X
Gunnar Spencer	X	X
Hermon (Trey) Dixon	X	X
Jacob R Moser		
Jaime L Zurick		
James Bowling	X	X
James Bryant	X	X
James Crowder		
James Heasty		
James Jarrell	X	X
James Lawson	X	X
James Moyer		
James Weiner		
James Weinland	X	X
Janice R Mitchell		
Jared M Newman		
Jasmin A. Puello	X	X
Jean Dismuke	X	X
Jeff M Jones		
Jeff Stewart	X	X
Jennifer Dubbs	X	X
Jennifer Griffin	X	X
Jennifer L. Barber	X	X
Jennifer M. Kaiser	X	X
Jennifer Vogel	X	X
Jennifer Zarbaugh	X	X

Name	FMF7318	FMF7360
Jenny S Ahn		
Jeremy A Crawford		
Jeremy T Taylor		
Jessica Chao	X	X
Jessica Higgins		
Jessika Hunt	X	X
Jo Ann Stump	X	X
Joanne Rock	X	X
Joe McGarvey	X	X
Joe Wilburn		
John Eberhardt	X	X
John W Yerkey		
Jonathan Edge		
Johnny Farmer	X	X
Joseph Abbott	X	X
Joseph Estrellado	X	X
Joseph McGarvey		
Joshua A. Sherman	X	X
Joy S Stith		
Judy L Eckstein		
Julie Hill	X	X
Julie Zaffarano	X	X
Justin C Sponseller		
Karen Baylor-Giddens	X	X
Karen Cline		
Karina Magurno	X	X
Katherine Beitl	X	X
Katherine Binder		
Kathleen Ponchock		
Kathleen A Stankiewitch	X	X
Ken Hatchell	X	X
Kenneth Carling	X	X
Kerry Bullock		
Keshina Bouie	X	X
Kevin Phillips		
Khalid A Hamidi		
Kim Smith	X	X
Kimberly Hadley	X	X

Name	FMF7318	FMF7360
Kimberly K Cunningham	X	X
Kimberly Willett	X	X
Kipling S Chase		
Kristin Kremer		
Kristy W Fair		
Kurt A Orren	X	X
Labertha Williams	X	X
LaJeune R. Peyton	X	X
Laura Durback		
Laura Gentry	X	X
Laurie Owens	X	X
Leann Tucker Johnson	X	X
LeeAnn Lomax	X	X
Leslie McCarty	X	X
Linda Bergman	X	X
Linda Lowe		
Lisa Tonkin	X	X
Lori Olson Hopkins	X	X
Lori Peterson	X	
Lorraine Jenkins		
Lorraine Lawrence	X	X
Luz N. Davila Lopez		
Lymus Middleton		
Lynette U Luginu		
M Alvin Thompson		
M. Cathy Kadlec	X	X
M. Nadine Williams	X	X
Mai Ha	X	X
Marc Briones	X	X
Marguerite Williams	X	X
Maria Kadlec	X	X
Maria Spicer	X	X
Maria Summers	X	X
Marilyn McGee	X	X
Mark K Apsey		
Mark Carroll	X	X
Marlyn Bally	X	X
Martin Shulman		

Name	FMF7318	FMF7360
Mary Compton		
Mary Brown		
Mary Johnson	X	X
Mary Wallace		
Maryann Gaudio		
Matthew Priddy	X	X
Mattie E Everette		
Max A. Louis	X	X
Max MaodushPitzer	X	X
Michael A. Bollinger	X	X
Michael Bugg	X	X
Michael J. Grace	X	X
Michael J. Humenansky	X	X
Michael Morouse		
Michael Shannon	X	X
Michael Skoczlas	X	X
Michael Witsman		
Michelle C Burke		
Miguel Vasquez	X	X
Miguel Zayas		
Miranda S Berrien		
Moja Harmon	X	X
Monica M Harrigan		
Nancy Cordell	X	X
Natalia V Li		
Nga Pho	X	X
Oliver Pryor		
Patrick Moshier	X	X
Paul Haislip	X	X
Paul Jensen		
Paul Linn		
Paul Macias	X	X
Paul Woodlief	X	X
Peter Foreman		
Philip L Knight		
Raj Das	X	X
Rasheda Mitchell	X	X
Rashon E Robinson		

Name	FMF7318	FMF7360
Ricardo S. Cruz	X	X
Richard E. Corns	X	X
Rick Johnson	X	X
Robbie J Mitchell		
Robert Campbell	X	X
Robert Carroll	X	X
Robert Gee		
Robert Gonsa		
Robert Grant		
Robert Hammond	X	X
Robert J Harpster		
Robyn A Ruble		
Roger Deaton	X	X
Ronald Graves		
Ronnie Daniels		
Roxanne Degner	X	X
S Denise Battle		
Sallie Pawley	X	X
Sarah Moore	X	X
Scott A Peiffer		
Sean Moeun	X	X
Selester Copeland	X	X
Serene Culp	X	X
Seteria A Burriss		
Seth A Shreve		
Shannon Beasley		
Shannon Stayer		
Shawn Lennon	X	X
Shawn Poulin		
Sherry Sain	X	X
Sheryl T. Mills	X	X
Sonya Lyons	X	X
Sreekumar Shenoy	X	X
Staci D Marinez		
Stephanie Flynn	X	X
Stephen Barth	X	X
Stephen Norman	X	X
Steven Hurwitz	X	X

Name	FMF7318	FMF7360
Steven Turley		
Susheel Mamidala	X	X
Talia L Porter		
Tamara Anderson-Poole	X	X
Tamara Crouch	X	X
Tamera M Garrett	X	X
Tammy Herne	X	X
Tara L Collins		
Teo Tu	X	X
Teri Stone	X	X
Terrace V White		
Terri Hilton	X	X
Theresa M Agnello		
Thomas Doyle		
Thomas O. Loiland	X	X
Thomas Lyons		
Thomas Stewart	X	X
Timothy Holloway	X	X
Tisha M Jordan		
Todd Baker	X	X
Toni M. Ardis	X	X
Toni Querio-Smith		
Tonja Daniels-Carter	X	X
Tracey Melvin Devers	X	X
Tracie A Ross		
Vanessa Clapp	X	X
Vera D. Whitehead	X	X
Veronica Manning-McNeil		
Viktor Shluharchuk		
Walkiris Villar	X	X
Wendy L. Benefield	X	X
Wendy Villaman		
Wesley Best	X	X
William Pollak	X	X
William E Thompson	X	X
William F Comar		
William G Smith		
William H Pascol		

Name	FMF7318	FMF7360
William R Pollak		
William Vera	X	X
Yodit Denham	X	X