



**DEFENSE LOGISTICS AGENCY**  
**HEADQUARTERS**  
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**FORT BELVOIR, VIRGINIA 22060-6221**

IN REPLY  
REFER TO

DLMSO

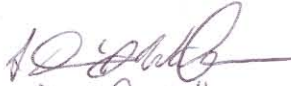
October 6, 2009

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Standard Financial Information Structure (SFIS)/Defense Logistics  
Management Standards (DLMS) Transactions Working Group Meeting of  
Sep 29, 2009

The attached minutes of the Standard Financial Information Structure  
(SFIS)/Defense Logistics Management Standards (DLMS) Transactions Working Group  
Meeting is forwarded for your information and appropriate action.

The Defense Logistics Management Standards Office point of contact is Robert  
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S. David Walker, Maj, USAF  
For DONALD C. PIPP  
Director  
Defense Logistics Management  
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October 6, 2009

MEMORANDUM FOR RECORD

SUBJECT: Standard Financial Information Structure (SFIS)/Defense Logistics Management Standards (DLMS) Transactions Working Group Meeting of Sep 29, 2009

**Purpose:** Defense Logistics Management Standards Office (DLMSO) hosted the subject working group meeting at Fort Belvoir, VA, and via Defense Connect Online. Specific discussion topics are noted below. Participants included representatives from BTA, OSD Comptroller, DFAS, DLMSO, DLA J-8, DLA DESC, and DAASC.

**Background:**

**General:** Mr. Corey Cunningham, BTA Transformation and Priorities (TP&R) Supply Chain Management (SCM) facilitated the discussion with Mr. Bob Hammond, Finance PRC Chair and Ms. Ellen Hilert, Supply PRC Chair. Mr. Corey Cunningham explained that the problem revolves around an undefined process to exchange financial information using the Standard Financial Information Structure (SFIS). The requirement is to define the business process and appropriate SFIS data to enable efficient exchange of financial information. The objective is to reduce manual reconciliation efforts in the "Target" ERP, net-centric, and interoperable environment.

**Interim Environment:** The timeline for the interim environment is undefined, however, for the purposes of this working group, the legacy data elements of signal code and fund code will continue to be carried in the DLMS transactions until they are no longer needed.

**Target Net Centric Environment:** Mr. Cunningham gave an overview of the various functions in this ERP environment. Mr. Cunningham highlighted the Enterprise Master Data Services that contain master data necessary for E2E business processes. This includes both master metadata (e.g. Unit of Measure Data Dictionary, Library and Thesaurus, Ontology) and master reference data (e.g. customer/vendor data and item master records). In the "Target" environment for this change, it is assumed that Defense Finance and Accounting Service legacy systems will be retired and that Component SFIS/DLMS compliant Enterprise Resource Systems (ERPs) will be used for bill processing using SFIS data elements.

**Discussion/Issues:**

- 1. SFIS Data Elements to be Exchanged Between Trading Partners.**
  - a.** The decision regarding Agency Accounting Identifier (AAI) to be included as a data element to be exchanged has been deferred. Mr. Shannon noted that the current definition of AAI, namely “the organization responsible for providing field level accounting within DOD,” is not consistent with several current AAI applications in use today such as GFEBs or Navy ERP. **ACTION:** Mike Shannon BTA will seek clarification from the SFIS Governance Board by 16 October 2009 regarding the definition of AAI and whether it needs to be exchanged between SFIS trading partners.
  - b.** Limit/Subhead is currently carried in the fund code table and is used in the current bill payment process. Mr. Hammond asked if Limit/Subhead should be included in the data exchange, so that SFIS and DLMS compliant systems can exchange data elements without relying on the fund code. Mr. Mike Shannon BTA FM, agreed that it should be carried, given it’s current usage. Subsequent to the meeting Mr. Hammond asked Mr. Doyle (OSD Comptroller Office) to clarify the difference between the Limit/Subhead and the SFIS data element Sub Account, and to confirm that inclusion of the Sub Account for SFIS compliant systems does not obviate the current need for Limit/Subhead. **ACTION:** Mr. Doyle will research Limit/Subhead and report back by 16 October 2009.
- 2. Business Rules for Business Partner Number (BPN).** Consensus was reached that the BPN to be exchanged is the BPN of the party to receive the bill and the BPN of the party to receive credit.
- 3. Transactions to Carry SFIS Data.** All were asked to validate the proposed transactions to carry SFIS data. Consensus was reached to add the 810L Logistics Bill.
- 4. Possible Mapping SFIS Elements to DLMS X12 Qualifiers.** Proposed ANSI X12 qualifiers for SFIS data elements for the DLMS FA2 segments are controlled under the Financial Management Regulation code list 529. Use of these qualifiers requires OSD Comptroller coordination prior to use. Mr. Mike Shannon, BTA FM noted this is a limitation of X12 and advised he will coordinate with Mr. Joe Doyle in the OSD Comptroller Office and DFAS. Mike noted that updating the FMR is easy enough, as opposed to asking for an X12 update which would require another version of X12 to be used by the DoD. **ACTION:** Mr. Mike Shannon coordinate with OSD (C) and with DFAS regarding use of these qualifiers and report back by 16 October 2009.
- 5. Methods of Exchanging SFIS Data.** Three options for exchanging data were discussed.

**a. Option #1. - Pass delineated SFIS data elements in the required transactions**

- i.** The proposed concept is to carry SFIS line of accounting (LOA) data plus the initiating activity's BPN and AAI in the transaction that triggers a financial action. The initiating activity may be either the party to be billed for a purchase or the party to receive credit for return of previously purchased items, depending upon the business process.
- ii.** Any SFIS data content passed in DLMS transactions will be adopted as "authorized DLMS enhancements." This means that an SFIS-compliant application may incorporate the new data content at any time subsequent to the Approved Change implementation date without prior coordination. All DLMS trading partners must ensure that the inclusion of the new data elements will not cause currently processed transactions to fail, pending the receiving application's transition to SFIS.
- iii.** Mr. Cunningham went over the initial creation of data. He highlighted that in an ERP, the warfighter would only need to know his "project" and the system would generate the accounting data automatically.
- iv.** The pros and cons of this option were discussed. Mr. Cunningham explained that passing delineated SFIS data allows for Financial data visibility at transaction level, enables ERPs to transfer funds directly through Treasury, utilized full capability of the ERP (system generated accounting data automatically), and enables accurate accounting for streamlined reconciliations and eliminations. This greatly reduces the need for customized enhancements (Reports, Interfaces, Conversions, and Extensions – RICE) to the ERPs. Mr. Cunningham acknowledged as a Con, that this process may not support offline ordering capabilities as they are currently practiced in today's business. Offline ordering systems, such as eMall, GSA internet ordering, post-post and some tailored vendor relationship (TVR)/prime vendor DVD programs and processes use the Fund Code and Signal Code to process requisitions. These processes will have to be addressed as special case scenarios that require either Business Process Reengineering or system changes comply with SFIS Requirements. Reference was made to the functionality of the Defense Travel System (DTS) which preloads SFIS compliant financial data to support employee travel planning.
- v.** Ms. Ellen Hilert asked if EBS is currently configured to handle the eight proposed SFIS data elements. Ms. Susan Eldridge noted that EBS is SFIS compliant and is currently configured to handle these data elements.

**b. Option #2 – Use of Authoritative Reference Table for LOA Data**

- i. Mr. Bob Hammond discussed a proposed approach of a Reference Table to carry SFIS LOA. DoD might be able to modify the current Fund Code table or create a new database with discrete data elements that the Buyer/Seller ERPs could link to in order to get this information directly based on fund code, in lieu of carrying LOA data in the DLMS transactions. This may solve many problems with buyers having to know this information. This enables financial visibility and more flexibility in the Interim, Mixed EPR/Legacy environment for the various methods of off-line requisitioning to include e-Mall, GSA internet ordering, Post-Post, and some tailored vendor relationship (TVR)/prime vendor DVD programs. In addition, systems that are not DLMS compliant would have access to this information.
- ii. Mr. Mike Shannon (BTA) noted that early on in the evolution of SFIS, this concept of a Registry or Appropriation Unique ID (AUID) was discussed, but voted down since the AIS and ERPs are being configured to pass the SFIS data.
- iii. Mr. Bob Hammond and Ms. Ellen Hilert noted that the proposed process #2 will be presented as an “Alternate Business Process” in PDC 365.
- iv. Mr. Mike Shannon (BTA) noted that this process is inconsistent with SFIS and the BEA. SFIS compliant system must be configured to send/receive the required delineated SFIS data. Using the fund code in place of the SFIS data would be inconsistent with current business decisions made by the SFIS Governance Board and the BEA. Mr. Cunningham asked that it be noted in the PDC that if the PRC chooses the Referential process, it will have to be staffed through and approved by the SFIS Governance Board.

**c. Option #3 - Use of Authoritative Reference Table for LOA Data With DAASC Translation.**

- i. Ms. Ellen Hilert noted a possible third option of DAASC providing an Enterprise Service, sort of a middle ground between the two options. In this option, DAASC would translate the fund code, signal code and bill-to DOAAC to pass SFIS LOA data to SFIS/DLMS compliant systems using the authoritative reference table. DAASC commented that this approach would be possible.
- ii. Mr. Mike Shannon (BTA) added this approach also is inconsistent with decisions already made by the SFIS Governance Board and the BEA. SFIS compliant system must be configured to send/receive the required delineated SFIS data. Using the Enterprise Service in place of the SFIS data would be inconsistent with current business decisions made by the SFIS Governance Board and the BEA.

- 6. SFIS Period of Availability.** Mr. Hammond discussed the current logic used in the fund code table for the single digit period fiscal year of the appropriation and inquired as to how SFIS might approach this. The appropriation associated with a particular fund code may contain either “#” , “\*” or “x”. Essentially, these characters allow for a fund code to be used over and over again. The # denotes the fiscal year of the requisition date. The \* denotes the fiscal year of the billing date. The “x” denotes a no year appropriation. For the process to be utilized for the SFIS period of availability it was noted that further analysis and discussion will be required. **ACTION:** Mr. Cunningham took an action to ask the EBS POC, Bruce Wright, how this was configured in DLA’s ERP.
- 7. Coordination Next Steps. ACTION:** Mr. Bob Hammond and Mr. John Garbarino will continue to finalize PDC 365 for staffing. Presentations will be made to the Supply PRC on 28-29 Oct 2009 and to the Finance PRC on 19 November 2009.