



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

IN REPLY
REFER TO

June 27, 2013

MEMORANDUM FOR JOINT PHYSICAL INVENTORY WORKING GROUP

SUBJECT: Joint Physical Inventory Working Group (JPIWG) Meeting, May 30, 2013

The attached minutes of subject meeting are forwarded for information and action, as appropriate. The new action item is included on the JPIWG Action Item Tracking Sheet provided on the JPIWG Webpage

www.dla.mil/j-6/dlmsso/programs/committees/jpiwg/jpiwg.asp.

The DLA Logistics Management Standards Office point of contact is Mr. Lou Madrigal, JPIWG Chair, 703-767-2011, DSN 427-2011 or email luis.madrigal@dlmso.dla.mil.

A handwritten signature in black ink, appearing to read "Donald C. Pipp".

DONALD C. PIPP
Director,
Defense Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD(SCI)
Meeting Attendees



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June 27, 2013

MEMORANDUM FOR RECORD

SUBJECT: Joint Physical Inventory Working Group (JPIWG) Meeting, May 30, 2013

Purpose: The DLA Logistics Management Standards Office convened a meeting of the JPIWG on May 30, 2013, at DLA Headquarters in Fort Belvoir, VA with participation through Defense Connect Online (DCO). The agenda (with hyperlinks to briefing materials) and a list of attendees are available on the JPIWG Webpage at www.dla.mil/j-6/dlmsso/programs/committees/jpiwg/jpiwg.asp.

Brief Summary of Discussion: Mr. Lou Madrigal, JPIWG Chair, facilitated the discussion. A summary of the agenda topics discussed follows:

1. Address Open Action Items. The only open action item was from the March 2011 meeting for Army to work with Tobyhanna to address the problem of incorrectly applying supply condition code M to move materiel into maintenance. Mr. Tom Czura of Army Material Command volunteered to assist in getting resolution. (Note: PDC 449 proposed a systemic solution, which is expected to be published as an approved change this summer.)

2. Item Unique Identification (IUID) Update. Mr Joel Yurcaba of ODASD(SCI) highlighted some of the more recent IUID developments. He noted that the IUID concept is to mark what needs to be marked without any arbitrary filters (e.g. the previous idea of a \$5000 inventory valuation threshold has been eliminated). Mr. Yurcaba's presentation reviewed progress of the overall and Component schedule and breakdown of marking efforts by item class. He wrapped up with planned changes to MIL STD 129 and PDF 417, and identification of each Component's lead representative to the IUID Working Group.

3. Standard Line of Accounting (SLOA) Update. Mr. Bob Hammond, Finance PRC Chair, gave an informational briefing on developments in DLMS support of SLOA since the October 2012 JPIWG meeting. PDC 1043 has been staffed to incorporate the discrete SLOA elements into applicable DLMS supplements. To enable interoperability with legacy systems, DLA Transaction Services is developing an expanded fund code conversion table and a Web application which will be maintained by Component designated fund code monitors. A joint meeting of the Finance and Supply PRCs will meet June 20th to discuss comments for PDC 1043, the fund code conversion table and other related topics. Information for the meeting will be posted to committee pages for both PRCs.

4. CFO Inventory Sampling Plan. Mr. Greg Feie of DLA reviewed the 2012 CFO Inventory Sampling Plan approach conducted last September. The 2013 plan has not yet been set, but should be worked soon. There are no new requirements being introduced into this year's plan.



5. Inventory Control Effectiveness (ICE) Updates.

a. Mr. Madrigal had recently had conversations with DLA Disposition Services and DLA Energy Convergence about the applicability of the ICE report since both have been integrated into EBS. DLA has been asked to investigate whether the existing ICE report, or a modified version, should be explored in relation to either or both programs. The review will be coordinated with ODASD(SCI) input, and a recommendation from DLA has been requested for the next JPIWG meeting in November 2013.

Action Item: DLA to report back on their assessment of ICE reporting for DLA Energy and DLA Disposition Services at the November 2013 JPIWG meeting.

b. Navy mentioned they are looking to develop their own ICE report, and would appreciate guidance.

c. The latest approved ICE report form is available here: [www.dla.mil/j-6/dlms0/Archives/JPIWG/meetings/30May13/DD2338-2%20\(RCS%20Pending\).pdf](http://www.dla.mil/j-6/dlms0/Archives/JPIWG/meetings/30May13/DD2338-2%20(RCS%20Pending).pdf).

6. Updates on Activities Following April 18th Joint Supply PRC / JPIWG Meeting on DMISA Changes Affecting JPIWG. Mr. Paul Macias noted that the minutes of the April meeting were distributed May 10th, and included a number of action items due by June 10th. The action items from the minutes have been collected on a tracking sheet that has been posted to the meeting documents on both the Supply PRC and JPIWG committee pages.

7. Supply PRC Updates. Ms. Ellen Hilert, Supply PRC Co-Chair, informed the JPIWG of two DLMS changes.

a. PDC 1068 proposes enhancements to the requisitioning procedures for EMALL for funds verification with the Global Combat Support System (GCSS)-Army, and eventually to be used by the Marine Corps' Standard Accounting, Budgeting and Reporting System. For non-NSN items, EMALL will identify the items based on the suppliers part number and suppliers CAGE. While DLMS has many instances of identifying materiel by the manufacture's part number and CAGE, EMALL's supplier catalogues may be providing either a manufacture's or a supplier's part number and CAGE. Unfortunately, there is no way for the supplier systems to distinguish between OEM and supplier information. It is not yet clear the extent to which a potential supplier CAGE for identifying information has to be carried in downstream transactions. The draft PDC 1068, stops just short of impacting inventory transactions. However, this is an audit readiness issue and feedback may determine a need to extend the impact to other transactions.

b. ADC 1063 corrects the use of supply condition codes for receipt of suspended critical safety items. Supply discrepancy report procedures have been modified to eliminate an exception authorizing storage activity use of SCC J (Suspended in Stock) for suspended CSI resulting from stock screening during receipt processing, and now requires use of the appropriate SCC K (Returns)

8. DLMS Publications Update. Mr. Paul Jensen gave a brief on the DLMS publications. The most recent reissuance was June 2012. Change 1 was issued in last December, and Change 2 is

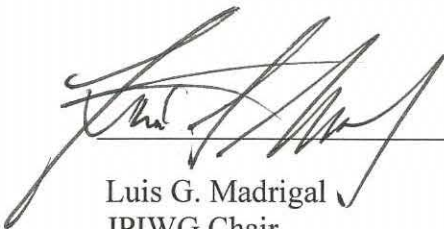
to published this June. Over the next year and a half DLA Logistics Management Standards Office is planning a very significant effort to merge the current MILSTRIP and MILSTRAP manuals into Volume 2 of the DLMS manual, so as to have a single manual for supply. Part of the merging will involve recasting the titles MILSTRIP and MILSTRAP as the relevant supply standards of the DLMS, similar to finance recasting MILBILLS as the combined DLMS/legacy finance volume under DLMS.

9. GCSS-Army Resource Impact. At the end of the meeting the Army's Mr Oliver Pryor added that demands to implement GCSS-Army is demanding more effort to coordinate staffing of PDCs. DLA Logistics Management Standards Office staff recalled that the standard review window was tightened from 45-60 days to 30 days in response to requests to reduce the DLMS change lifecycle. However, the granting of extension requests are overwhelmingly granted. While there is hesitation that defaulting to a larger staffing window could just lead to respondents having to wait longer to start a review, it is reasonable that the more complex PDCs may need more than the standard time.

Next Meeting: The next JPIWG meeting is planned for November 21, 2013.

PREPARED BY:

APPROVED:



Luis G. Madrigal
JPIWG Chair



Donald C. Pipp
Director,
Defense Logistics Management Standards