July 25, 2014

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Defense Logistics Management System Office (DLMSO) Pipeline Measurement
(PM) Process Review Committee (PRC) Meeting, June 26, 2014

The attached minutes of the DLMSO PM PRC Meeting June 26, 2014, are forwarded for information and action as appropriate.

The Defense Logistics Management Standards Office point of contact is Mr. Kenneth Deans, (703) 767-2611, DSN 427-2611; or email kenneth.deans@dla.mil

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment
As stated

cc:
ODASD(SCI)
PM PRC
Attendees

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

July 25, 2014

MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards Office (DLMSO) Pipeline Measurement (PM) Process Review Committee (PRC) Meeting of June 26, 2014

Agenda Item 1 — Opening Remarks

Agenda Item 1A: Agenda/Opening Remarks

Purpose: The Defense Logistics Management Standards Office (DLMSO) hosted the subject meeting at DLA HQ, Fort Belvoir, Virginia. Defense Connect On Line (DCO) provided real-time access to presentation materials for those participants calling into the meeting. The primary focus of the meeting was to address open action items from the November, 2013 PM PRC meeting, review the LMARS report criteria used to generate reports, and present, in depth, the capabilities of the monthly Logistics Metric Analysis Reporting System (LMARS) reports.

A list of attendees and briefing materials are available on the DLMSO website, at "Committees", Pipeline Measurement (PM) PRC, archives Webpage: www.dla.mil/j-6/dlmso/Archives/archives_pmprc.asp.

Brief Summary of Discussion: Mr. Kenneth Deans, DLMSO PM PRC Chair, facilitated the discussion, noting that agenda items 2 (Open Action Items) and 4 (LMARS Reports) are the most important topics on the agenda; the other agenda items primarily provide supporting and background information for those two sections. A summary of the agenda topics discussed appears below. Action items identified during the meeting are to be worked within 30 days of this memorandum unless otherwise noted.

Agenda Item 1B: Pipeline Measurement PRC Overview. Mr. Deans provided an overview of the PM PRC processes and LMARS functionality (Click here: Pipeline Measurement PRC Overview), noting that LMARS functionality comprises three main processes:

1. It provides a database of business transactions received and stored by DLA Transaction Service.,

2. It pushes monthly data to Component inboxes based on established configuration(s).

3. It makes the monthly LMARS reports available to subscribers of the LMARS website.

Mr. Deans noted that the LMARS data is not manipulated in any way–it is "raw" data as received from the Components, and as such, it provides a consistent enterprise-wide view.

D. C. Pipp, Director, Defense Logistics Management Standards Office, added several comments:

1. The Defense Logistics Manual (DLM), 4000.25 series of manuals, which provides detailed information about the PM PRC, LMARS, and other DLMS business processes, are available only on the DLMSO Website; they are not published by Washington Headquarters Services (WHS).

2. DLA Transaction Services, the PM PRC, and by extension, LMARS do not direct the Components to take any action related to business processes. They collect data and provide it to the Components so that they may take action as prescribed by OSD based on the information provided in the data.

Dennis Zimmerman, LMI, contract support to OSD(SCI), noted that the LMARS reports provide data on transactions that have closed in each segment of the pipeline during the month of the report. As a result, it is not always possible to add numbers of transactions across the 12 pipeline segments in the monthly LMARS data, since a particular transaction may not close in every segment during the same calendar month.

Lisa Oakley, DLA Aviation, asked if LMARS tracks non-DLA managed items.
Mary Maurer, contract support to DLA Transaction Services, replied that selection of which transactions are tracked in LMARS is based upon Routing Identifier Codes (RICs) stored in Table H, which would be discussed later in the agenda.

Mr. Pipp closed the PRC overview by noting that for many years the PRC did not exist and the LMARS rules and reports were dated. OSD reconstituted the PRC several years ago; the business rules and reports are now up-to-date and provide more useful metrics data for the enterprise.

ACTION ITEM #1   Responsible Party: Mary Maurer   Status: Closed
(Note the action item numbers refer to the separate listing of action items from the PRC meeting)
Mr. Pipp requested that Ms. Maurer send a summary of the System Access Request (SAR) process that users must follow to obtain access to LMARS to the PM PRC chair, who will forward it to the PRC membership. The summary should include information regarding the automatic account suspension if the account is not used for a period of time, and instructions on how to avoid that happening. [Editor's Note: PM PRC chair received "DLA Transaction Services Account Creation, Maintenance, and Validation Process Vers. 4.0" (SAR Procedures) from Ms. Maurer on July 22, 2014. Mr. Deans updated the Action Item list to reflect Ms. Maurer's response.]

Agenda Item 1C: Plan of Action and Milestones (PoAM). Mr. Deans reviewed the Plan of Action and Milestones (PoAM) identifying milestones and enhancements to LMARS and pointed out the listing of projected future milestones.

Discussion ensued regarding several of the projected milestones

Agenda Item 2 — Address Open Action Items

Agenda Item 2A: LRT (-) Minus Backorders. Mr. Zimmerman explained this issue: The U.S. Transportation Command (USTRANSCOM) needs to track pipeline time attributable to transportation. Since it cannot control backorder time, USTRANSCOM sought a way to subtract backorder time from the LRT calculation. LTC William Farmer, USTRANSCOM, had briefed a metric that USTRANSCOM uses and calls LRT (-) Minus, which attempts to do that. Details of how the metric is calculated showed that the metric arbitrarily assigns one (1) day to the ICP processing segment, with the remaining time in that segment attributed to the backorder process.

Mr. Deans proposed adding an additional pipeline segment in LMARS to accurately track only that time an item is actually in backordered status.

Bill Palfey, contract support to U.S. Army, said that the Army objects to the LRT minus metric. LRT measures the time from when an order was placed until that order is fulfilled—by definition, that includes backorder time. For transportation purposes, it's fine for USTRANSCOM to remove backorder time, but in that case the metric is no longer LRT, so the name LRT minus should not be used for this purpose.

Ms. Maurer said that backorder time is hard to identify—it can change over time because there may be multiple instances in which an item becomes backordered. Adding a new segment to the pipeline for backorders will impact all supply systems.

Mr. Blackwell commented that the purpose of this metric is to be able to tell a customer when an item will be delivered if it is in stock; he thought we had agreed to remove backorder time from this metric.

Mr. Klaczek, NAVSUP, asked where the backorder segment would fit in the existing LMARS segments (see slide #3, LRT (-) Minus Backorders); discussion ensued.

ACTION ITEM #10   Responsible Party: Ken Deans   Status: Open
Mr. Deans will work with USTRANSCOM and DLA Transaction services to develop a proposal to add a new segment that measures only the time an item is on backorder into the LMARS pipeline segments.

Agenda Item 2B: LMARS Report "Other". Mr. Zimmerman had previously identified large numbers of transactions in the "Other" category that appear to be immediate issues. Mr. Deans' analysis shows these are primarily CH_ (requisition image) and D7 (issue) transactions, and has proposed changing the fill rules to place them in the Immediate Issue Category. Ms. Maurer noted that part of the reason why these transactions fall into the "Other' category is that they have no status code attached to the transaction.

Ms. Hilert noted that not all D7 transactions should be moved into Immediate Issue, only those where the D7 is the first transaction for that document number. Ms. Oakley said she could identify the Navy Fleet Readiness Centers' (FRCs') D7 transactions from Ms. Maurer's list.

ACTION ITEM #2   Responsible Party: Mary Maurer   Status: Examples sent
Ms. Maurer will send examples of D7 transactions to Ms. Oakley for additional analysis. The examples should include Air Force, Navy, and DLA items. (See also, Action Item #9)

Ms. Hilert also noted that DLMSO considers the CH_ transactions to be an image; Bill Shaffer concurred, further explaining that was part of why his analysis of this issue was taking so long.

Ms. Hilert suggested the Army should do some of the analysis for comparable Army processing (e.g., B99); Mr. Palfey agreed.

ACTION ITEM #9   Responsible Party: Ken Deans   Status: Open
Mr. Deans will work with Ms. Hilert to further refine how to treat CH/D7 transactions (i.e., Other/Immediate Issue).

Mr. Deans said this item will remain open; he will develop a proposal in coordination with the affected Components to address this issue.

Agenda Item 3 — LMARS Reports (LRT) – Report Criteria

Agenda Item 3A: Business Rules

Mr. Deans provided a high-level review of the business rules LMARS uses to sort transactions into segments and Components. Several comments and questions were raised during the discussion.

Mr. Napoli, contract support to DLMSO, noted that a specific backorder time is not calculated within LMARS. The backorder report shows LRT time for shipments that have been in backordered status (BB or BC) at any point in the entire pipeline. At present, there is no way to show only the time an item was on backorder within LMARS.

Ms. Hilert asked for clarification of the backorder report rule (2). Ms. Maurer explained that if an item is in either planned or unplanned DVD status (BZ) it does not get moved into the backorder report even if its status becomes BB or BC at a subsequent point in the shipment process.

Agenda Item 3B: LMARS Report Reference Tables (A–H)

Mr. Deans provided a high-level review of the reference tables LMARS uses to sort transactions into segments and Components. Several comments and questions were raised during the discussion.

Ms. Hilert noted that there are several differences between Army-identified Inventory Control Points (ICP) for LMARS and those identified for SDR processing.   The LMARS Army ICP list does not include AJ2 or B46, but it does include AP5, BAM, and BR4, which are missing from the SDR procedures. The Army SDR lead is currently researching to confirm whether these two lists should be harmonized.

ACTION ITEM #6   Responsible Party: Bill Palfey   Status: Open
Mr. Palfey to research how BR4 gets requisition data, and send results to the PRC chair, who will forward the information to Ms. Hilert

ACTION ITEM #7   Responsible Party: Bill Palfey   Status: Open
Mr. Palfey to research the use of AJ2 as an ICP in LMARS Table D and send his results to the PRC chair.

Discussion ensued, and Ms. Hilert asked if requisitions are going to RIC BR4.

ACTION ITEM #3   Responsible Party: Mary Maurer   Status: Closed
Lou Madrigal, DLMSO, asked if Sacramento and Kelly AFB are still valid entries for Table D; the committee asked Ms. Maurer to run a query to answer that question.
[Editor's Note: PM PRC chair received report from Ms. Maurer. Mr. Deans updated the Action Item list to reflect Ms. Maurer's response.]

Ms. Hilert noted that some definitions in Table E do not match the definitions in the DLMS Manual (DLM 4000.25).

ACTION ITEM #8   Responsible Party: Ken Deans   Status: Open
Mr. Deans to work with Ms. Hilert to synchronize table names between LMARS and DLM 4000.25.

Agenda Item 3C: LMARS Anomaly Code List (1–50)

Ms. Maurer described some of the data coming into the Defense Automatic Addressing System (DAAS) as "dirty"; the anomaly code list is used to help identify errors. Ms. Hilert requested the addition of two columns to the anomaly table, one titled "Used (y/n)" and the other titled "Segment Reported (y/n)"

ACTION ITEM #4   Responsible Party: Mary Maurer   Status: Open
Ms. Maurer to review anomaly table and submit a draft proposal to add two new columns: USED (y/n), and SEGMENT REPORTED (y/n).

Ms. Hilert also noted that Code 53 is essentially overtaken by events (OBE); with the implementation of the Army Logistics Modernization Program (LMP), the MILSTRIP format is no longer in use for this data.

Agenda Item 3D: LMARS Data Values

Mr. Deans provided a high-level review of the data values LMARS uses to sort transactions into segments and Components. During discussion it was noted that references to U.S. Security Command in the data values are incorrect and should say U.S. Special Operations Command (USSOCOM).

ACTION ITEM #10   Responsible Party: Ken Deans   Status: Closed
Mr. Deans has updated references to USSOCOM in the LMARS Record Layout files on the DLMSO website.

Agenda Item 3E: LMARS Record Layout

Mr. Deans provided a high-level review of the record layout file LMARS uses to sort transactions into segments and Components. Several comments and questions were raised during the discussion.

Mr. Zimmerman asked if any of the data in the report file were classified; Ms. Maurer replied that they are not. He also asked if any of the data were considered For Official Use Only (FOUO); Ms. Maurer replied that any data extracted from the Web Visual Logistics Information Processing System (WebVLIPS) are considered FOUO, but supporting data such as the business rules are not.

Mr. Palfey asked if there was any update to the data call Mr. Deans issued for the Components to review and update their data content. Mr. Deans replied that there were no changes as a result of replies to that data call.

Agenda Item 3F: Type of Fill Table Criteria (LRT)

Mr. Deans provided a high-level review of the Type of Fill Table LMARS uses to sort transactions into segments and Components.

Agenda Item 3G: LMARS DLA Corp Fill Rules (Special Fill Type Table)

Mr. Deans provided a high-level review of the DLA Corp Fill Rules LMARS uses to sort DLA-specific transactions into segments and Components.

Agenda Item 4 — LMARS Reports

Agenda Item 4A: LMARS Reports

Mr. Deans provided a detailed review of each of the LMARS reports, beginning with the Wholesale Guard Composite Total report. Please refer to the agenda for an itemized list of each report he reviewed. Mr. Deans provided a spreadsheet overlay for each report discussed showing subtotals of the number of transactions and the LRT figure sorted by Component and type of shipment (e.g., Planned DVD). Discussion ensued; notable comments and questions included the following.

- Referring to the Guard report, Mr. Palfey asked how the receipt time for Army Immediate Issue shipments could be more than 24 days. No one was able to provide a specific answer, but Ms. Maurer reiterated the LMARS business rules for immediate issue: The first (or only) supply status is BA or the last supply status before shipment is BA; the item was received within five days of the first status, and no Backorder status has ever been received. Direct Vendor Deliveries (DVDs), whether planned or unplanned, are never considered immediate issues.
- Comparing numbers of transactions in the Guard vs. Reserve reports, Mr. Palfey observed the Reserve numbers seem too low; Mr. Zimmerman looked up similar numbers in the OSD metrics tool and confirmed comparable large differences in those metrics.

Noting that he had recently tasked the services to update the table data for their Guard and Reserve activities' DoDAACs,

Mr. Deans said he would revisit the business rules and fill table values to ascertain if transactions were going into the wrong reports, but the individual Components need to review the report data to determine if their numbers are correct.

ACTION ITEM #11   Responsible Party: All Components   Status: Open
Components to re-validate Guard and Reserve DoDAACs in LMARS reporting, and send update to the PRC Chair. Army & USMC refer to Major Command field in DoDAAD file; Specific DoDAAC ranges specified for Air Force reporting.

- Referring to the Composite Contractor Total report, Mr. Zimmerman observed that this report was a good example of why the criteria to select "other" needs to be updated.

  Discussion ensued. Ms. Hilert suggested that perhaps the CH/D7 transactions should be broken out into a separate category—neither immediate issue nor other. Mr. Palfey noted the Army refers to these types of transactions as "wholesale without backorder", indicating immediate issue.

  Mr. Palfey observed the numbers in this report were about twice as large as he expected, and questioned whether image transactions might be included in the report, inflating the totals. Ms. Maurer said they could not; the business and fill rules only allow one transaction per fully qualified document number (including the suffix), which effectively eliminates duplicate reporting. Mr. Palfey speculated that Medical and Subsistence (M & S) transactions might account for the unexpectedly large numbers, since the Army metrics exclude M & S.

- Mr. Deans emphasized the importance of synchronizing the LMARS reporting categories with OSD metrics; Mr. Zimmerman said the OSD metrics attempt to focus more on weapons systems, and as a result do not include items such as the KYLOC uniform/textile shipments.

- Referring to the Wholesale ICP Reparable NSN Composite Total report, Mr. Deans noted LMARS has recently implemented an automated feed of the NIINs from the components. Mr. Zimmerman noted this as an important enhancement to LMARS.

  ACTION ITEM #12   Responsible Party: Bill Shaffer   Status: Open
  Mr. Shaffer to develop a proposal and send to the PRC chair to add new Component tab for DLA at the bottom of all LMARS reports.

- Referring to the ICP GSA Composite Total Report, Nate Robinson, GSA, said that although the LMARS report provides the number of transactions in each category, there is not enough information in the LMARS report to conduct root cause analysis of the problems. Mr. Deans demonstrated how to use the "drill down" capability in the LMARS report to access a detailed breakdown by document number of the transactions included in each cell of the LMARS report. Discussion ensued regarding imminent changes at

GSA to include the use of DVD fulfillment of orders and EMALL migration to the use of the DLMS 527R, Materiel Receipt Acknowledgment (MRA). Ms. Hilert also explained that GSA does not follow-up for non-receipt of the MRA and that GSA. GSA Advantage shipments often bypass central receiving, and, therefore, don't trigger automated MRAs as a by-product of receipt processing. This combination could result in a low volume of MRAs for GSA LMARS reporting.

ACTION ITEM #13   Responsible Party: Bill Shaffer   Status: Open
Mr. Shaffer to research whether EMALL-generated transactions for web-entered Receipt Acknowledgments are now being sent as DLMS 527Rs (previously sent in a unique format that was not useable by LMARS). Mr. Shaffer to provide results to PRC Chair and forwarded to Ellen Hilert.
[Editor's Note: Mr. Shaffer provided an update to the PM PRC chair July 14, 2014; Mr. Deans updated the Action Item list to reflect Mr. Shaffer's response.]

Mr. Robinson observed that after GSA ships an item, GSA has no control of when, or if, a consignee returns a transaction with the receipt date.

Mr. Zimmerman asked if GSA had an internal report of all GSA-DOD shipments; he believes many of them are not getting captured in LMARS.

Agenda Item 4B: DLA Special Reports

Mr. Deans provided a high-level review of the DLA Special (Corp Fill) Report, explaining they are similar to the reports for the other Components, but customized based on DLA special business needs.

Agenda Item 4C: DD Form 2829 (CWT Report)

Mr. Deans showed the participants how to access to Customer Wait Time (CWT) report in LMARS, and noted the requirement for the Components to submit monthly CWT in Enclosure 1 of DoDI 4140.61 via DD Form 2829. Mr. Zimmerman commented that OSD currently collects CWT data from the Services and forwards the data to the Office of the Deputy Chief Management Officer (DCMO, which in turn, forwards the data to Congress. As part of the revision of DoDM 4140.01 Vol. 10, he is in process of cancelling the requirement for Components to submit CWT reports to OSD.

Mr. Deans asked if this requirement can also be deleted from the LMARS website. Mr. Zimmerman will pass that request up the chain of command in OSD—see the open Action Items. (Mr. Blackwell had to leave the meeting before this point in the discussion.)

ACTION ITEM #5   Responsible Party: Mary Maurer   Status: Open
Ms. Maurer to review LMARS reports output and all references to DOD 4140 to the current title: DoDM 4140.01 on the LMARS Report spreadsheets line 40 and/or 42.

ACTION ITEM #14   Responsible Party: Dennis Zimmerman   Status: Open
Mr. Zimmerman will have OSD(SCI) send formal notice to the PRC chair authorizing deletion of the CWT report from the LMARS reports.

Agenda Item 5: Supply Chain Enterprise Metrics—OSD Supply Chain Metrics by Attribute

Agenda Item 5A: Supply Chain Metrics through Agenda Item 5G: OSD Supply Chain Performance and Cost Metrics Assessment

Mr. Deans provided a short introduction to Mr. Zimmerman's briefing, noting that the OSD metrics provide a view of the overall health of the enterprise Supply Chain based upon five high-level attributes:

1. Materiel Readiness
2. Responsiveness
3. Reliability
4. Cost
5. Planning and Precision.

Over 50 individual metrics roll up into those five attributes and feed both the Comprehensive Inventory Management Improvement Process (CIMIP), and the SNO initiative.

Please refer to Mr. Zimmerman's slide deck for details of which metrics roll up to which of the major attributes (see slide #3, here: OSD Supply Chain Metrics by Attributes). OSD is in process of publishing a *Metrics Reference Guide*, which will expand the information presented in these slides. Participants had a number of comments and questions during Mr. Zimmerman's brief:

Ms. Oakley asked how OSD splits out Navy retail immediate fill. Mr. Zimmerman replied that OSD follows the same business rules as NAVSUP, and identifies immediate fill as shipments considered in CWT (which NAVSUP bases on maintenance) with receipt time less than 2 days.

Mr. Zimmerman emphasized that OSD's CWT calculations are not based on data from LMARS, but on data provided to OSD by the Components. He also noted that the Air Force does not track CWT, but instead bases its analysis on Order Response Time (ORT)—which is based on open, not closed, documents.

Ms. Hilert made a comment about MRA discrepancy data. SCI bases this metric on the discrepancy indicator in the MRA (DLMS 527R or DIC DRA/DRB) which is not definitive. As the enterprise expands its use of the Web Supply Discrepancy Report (WebSDR) process, we are approaching the point where SCI should migrate the basis of its discrepancy reporting to the WebSDR data. Mr. Zimmerman concurred, and agreed to revisit this issue in about six months.

ACTION ITEM #15   Responsible Party: Dennis Zimmerman   Status: Open
Mr. Zimmerman to research use of the WebSDR system to update discrepancy reporting. (POC is Ellen Hilert.)

Ms. Oakley asked how SCI extracts requisitions for weapon systems from the composite data. Mr. Zimmerman explained that it is not possible to do so directly, and as an approximation SCI uses the composite data and backs out Medical, Subsistence, and Clothing/Textiles transactions.

Mr. Shaffer suggested also backing out Construction materiel would result in a closer approximation. Mr. Zimmerman agreed to look at that suggestion.

Noting that the metrics may reveal problems in the supply chain, Mr. Napoli asked who does the root cause analysis to correct the problems. Mr. Zimmerman replied that it is the Components' responsibility to do root cause analysis and correct any problems highlighted in the metrics. He also noted that when SCI staff reports to Congress, they are able to differentiate the DOD business requirements from those of commercial industry by reference to these metrics.

Agenda Item 6: Time Definite Delivery Workshop Overview/Roll-Up

Agenda Item 6A: TDD Workshop Overview, Deliverables, Workshop Highlights, Process Improvement Areas (Top 5)

Nicholas Brant, USTRANSCOM, briefed the participants on USTRANSCOM's recently completed TDD workshop. He said the workshop had two main goals:

1. Establish TDD standards for stream methodology.
2. Establish a prioritized Process Improvement list.

Mr. Napoli asked what is meant by stream methodology. Mr. Brant explained that historically, there has been a single TDD goal for an entire country, regardless of where the destination is located within the country. Stream methodology seeks to define specific TDD goals based on the specific origin and destination, and the shipment path between the two. It also takes into account the transportation mode, the distance, the shipper, and the supplier, and since all shipments into a country are no longer lumped together, good performers can no longer mask the performance of bad performers, resulting in much better metrics.
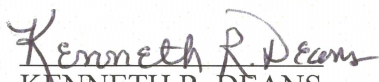
Mr. Deans commented that during the TDD workshop he was overwhelmed by the number of streams under consideration; Mr. Brant said there were 2,870 streams analyzed for the project. Mr. Deans also noted that for the purposes of TDD stream calculation, the 12 LMARS pipeline segments were collapsed to four segments.

A proposal package to implement the stream methodology to analyze TDD compliance was presented to the USTRANSCOM Distribution Steering Group (DSG) at its July meeting for approval, and implementation is expected in FY 2015, based on October, 2014 data.

Agenda Item 7: Wrap Up and Action Items

Mr. Napoli provided a summary of the action items from the meeting; a complete listing of the action items is posted on the DLMSO website under the PM PRC Archives Webpage www.dla.mil/j-6/dlmso/Archives/archives_pmprc.asp. Action items are to be worked within 30 days of this memorandum unless otherwise noted.

Mr. Deans thanked the participants and presenters for their time and effort, pointing out that the agenda sent to all invitees contains hotlinks to the briefings. He also noted that the master briefing slides constituted a comprehensive guide to LMARS, and could be used as a user manual for reports.

KENNETH R. DEANS
Chair, DOD PM PRC

Approved:
DONALD C. PIPP
Director,
Defense Logistics Management
Standards Office