



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

March 6, 2014

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Defense Logistics Management Standards (DLMS) Supply Discrepancy Report (SDR)
Process Review Committee (PRC) Meeting 14-01, February 11, 2014

The attached minutes of the DLMS SDR PRC Meeting 14-01 are forwarded for your information and action as appropriate.

The DLA Logistics Management Standards point of contact is Ms. Ellen Hilert, (703) 767-0676, DSN 427-0676; or email ellen.hilert@dla.mil.

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

DONALD C. PIPP
Director
DLA Logistics Management
Standards Office

Attachment
As stated

DISTRIBUTION:
ODASD(SCI)
DoD PQDR Committee
Attendees



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MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards (DLMS) Supply Discrepancy Report (SDR) Process Review Committee (PRC) Meeting 14-01, February 11, 2014

Purpose: The Defense Logistics Management Standards Office hosted the subject meeting at DLA Headquarters and via Defense Connect On-Line (DCO) for remote participants. This was a focused topic meeting intended as a preliminary discussion concerning the feasibility of transitioning policy and procedures for reporting of Foreign Military Sales (FMS) quality deficiencies to the Product Quality Deficiency Report (PQDR) process/systems, removing the SDR as the initiating and transfer mechanism. Meeting related materiel is available from the SDR Committee Webpage at www.dla.mil/j-6/dlms/Programs/Committees/Supply/supplySDR.asp.

A. Brief Summary of Discussion: Ms. Ellen Hilert, DOD SDR System Administrator, began the meeting with a review of current policy and DOD system functionality, including DLMS procedures, transactions, codes and a previously attempted interface between DoD WebSDR and the Product Data Reporting and Evaluation Program (PDREP) Automated Information System (AIS) for FMS quality complaints (refer to the briefing slides). This was followed by a discussion of each Service's existing processes for communicating FMS quality complaints. Participants identified drawbacks and challenges associated with the current approach and challenges and potential problem areas in the development of a standardized process. Ms. Hilert summarized that the goals of this meeting: level-set understanding of current procedures for communicating and processing of FMS quality deficiency complaints as implemented by each Service/Agency; explore alternatives for improved electronic processing; and reach a consensus on the next steps toward achieving a more efficient and functionally correct process. Action items are to be worked within **30 days** of this memorandum.

B. Service and Agency Briefings and Discussions

1. DLA: FMS quality discrepancies are submitted by the International Logistics Control Office (ILCO) as an SDR and forwarded to DLA's Enterprise Business System by DOD WebSDR as a Document Type 7 SDR. DLA processes and investigates FMS quality deficiencies in the same manner as standard PQDRs.

a. Ms. Hilert specifically asked if EBS accepts the enhanced quality deficiency related data content provided by the Air Force Security Assistance Command SDR Application

(AFSAC SDR-A) in the SDR transaction. **Action Items:** (1) Verify that EBS will accept all the quality-related data elements as defined in the SDR implementation convention and listed in the briefing slides. If not currently accepted, provide possible timeline for process enhancement. (2) Validate the list of quality-related data elements to confirm that the originally defined minimum data requirements for processing as a PQDR is still acceptable.

b. DLA representatives noted that EBS does not pass a PQDR to PDREP, but the discrepancy information is recorded in the DLA Office of Operations Research and Resource Analysis (DORRA) to support research and analysis.

2. U.S. Army Security Assistance Command (USASAC): The USASAC representative reported that her office does not process PQDRs because the legacy system Centralized Integrated System-International Logistics (CISIL) does not have this functionality. All quality related deficiencies are submitted as an SDR. Customers may submit a PQDR (SF 368) as an attachment and it will be uploaded into WebSDR for visibility to the item manager.

a. The Army team pointed out that various Army Inventory Control Points (ICPs) process FMS quality deficiencies differently. At the Communications-Electronics Command (CECOM), the SDR team manually inputs the FMS deficiency into PDREP-AIS.

Action Item: Determine the process at other Army ICPs for the processing of FMS quality complaints and advise DLMSO.

b. The Logistics Modernization Program (LMP) representative noted that LMP will accept Discrepancy Codes Q1-Q8, but was not programmed to support any of the additional quality-related data fields. **Action Item:** Advise DLMSO on the planned process for LMP with regards to FMS quality deficiencies, including adoption of the 842P, PQDR and/or adoption of the SDR quality-related elements, including possible timeline.

3. Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) (Navy ILCO): The Navy reported that their approach to processing the customer's discrepancy reports varies by the SoS and the scenario involved. For contract or commercially repairable items, the ILCO manually enters the complaint as a PQDR into PDREP-AIS where it is routed to the responsible Contract Administrator Office (CAO) at DCMA (NAVSUP WSS acts as the originator and action point, DCMA acts as the support point). For organic repairs, the complaint is entered as a PQDR and routed to the organic depot (the repair depot is the action activity). For Navy aviation stock, the complaint is submitted as an SDR in PDREP. For Navy surface stock, the complaint is submitted as a PQDR via PDREP-AIS and routed to the responsible DCMA COA (NAVSUP WSS is the originator, screening point, and action point). For DLA stock, the complaint is submitted via WebSDR to SMS.

a. Michael Gindraw, NAVSUP WSS, noted that there is an issue with PDREP closing/rejecting SDRs submitted with a Q1 code. They are getting a reply that noting that items are being converted to a PQDR, and closing the SDR because it should be submitted as a PQDR. Closing the SDR out and converting it to a PQDR causes the ILCO to lose visibility of the report.

b. Ken Carr, from the PDREP team, noted that PDREP does not systemically reject a discrepancy report for this reason; someone must do it manually. He requested that the Navy WSS team contact the PDREP team to resolve this issue.

4. AFSAC: All Air Force FMS customers submit all discrepancies, including quality, via an SDR. For commercial sales, commercial repairs, or organic repairs, the ILCO passes the SDR to the source of supply (SoS) via WebSDR. When submitted to an Air Force SoS and it is determined to be a quality issue, the SDR information is loaded into Joint Deficiency Reporting System (JDRS) for processing as a PQDR (including forwarding to PDREP-AIS where appropriate).

a. The AFSAC representative indicated that the quality related data elements are not currently treated as mandatory for quality deficiencies. Ms. Hilert indicated that this was not the original intent and all elements should be populated. **Action Item:** Review system design and report timeline for this incorporating this requirement to DLMSO.

b. Although there are no current plans for adopting the DLMS 842P PQDR interface for SDR-A with PDREP-AIS, this process could be explored.

5. GSA: The research and resolution of PQDRs for GSA is retained by Supplier Management within Federal Acquisition Service (FAS)/GSA. GSA has not planned for a DLMS PQDR interface, but will consider the possibility of establishing such an interface in the future. GSA does accept DLMS 842A/W with quality-related discrepancy codes; however the VISION system does not currently handle any of the quality-specific attributes included in the transaction. **Action Item:** Research additional functionality to accept the quality-related data elements and provide possible timeline for implementation to DLMSO.

6. Defense Security Cooperation Agency (DSCA): DSCA is currently developing the Security Cooperation Enterprise Solution (SCES) Enterprise Resource Program (ERP) to accept FMS customer discrepancy reports and interface with WebSDR using DLMS. The SCES team has not yet addressed special processing requirements for quality deficiencies. **Action Item:** (1) Research SCES functionality for quality-related data elements carried in the DLMS SDR and capability to accept the PQDR Report Control Number (RCN) on SDR replies and provide feedback to DLMSO. (2) Explore feasibility of adopting the DLMS 842P PQDR. (3) Clarify the plan for integration of SDR-A functionality/system within SCES and its use by all Services. (The timeline for implementing SCES for all Services must be evaluated against requiring changes to WebSDR to support development of screens for quality-related data elements for FMS.)

C. Goals and the Way Forward: Ms. Hilert re-emphasized the long-term goal of the PRC was to develop a standardized approach to FMS PQDRs, with everyone being on the same page for system development and policy guidance. Achieving the optimum solution will take time and it will be a complex undertaking, so interim steps and goals may be essential.

1. Ms. Anita Smith, AFSAC, felt that the FMS customer should not be held responsible for determining if the discrepancy is a PQDR or SDR. That responsibility should be at the item manager/ICP level or the ILCO level.

2. Ms. Hilert asked for inputs and feedback on the way ahead, and requested inputs on developing a "roadmap" for achieving the long term goals. She would like to form a working group to achieve this and solicited volunteers.

3. DLMSO will map out alternative flow diagrams for the next discussion. Our intent is to require the ILCO to act as an initial screening point for determination whether the complaint constitutes a quality deficiency or supply discrepancy. An immediate goal will be to eliminate re-keying by the ILCO or the ICP (where required by current Service approach) to accommodate input to the appropriate processing system.



ELLEN HILERT
DOD SDR System Administrator

Approved: 

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office