



DEFENSE LOGISTICS AGENCY
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April 27, 2022

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Supply Discrepancy Report Process Review Committee Meeting 22-01, March 24, 2022

This memorandum forwards the attached minutes of the Supply Discrepancy Report Process Review Committee 21-01 meeting for your information and action as appropriate.

The Defense Enterprise Data Standards Office point of contact is Mr. Ben Breen, e-mail Benjamin.Breen@dla.mil.

NELSON R. ALVAREZ
Acting Division Chief, Defense Enterprise Data
Standards Office

Attachment:
As stated

cc:
ODASD(L)
SDR PRC
Attendees

MINUTES FROM SUPPLY DISCREPANCY REPORT PROCESS REVIEW COMMITTEE MEETING 22-01, MARCH 24, 2022

1. Purpose: The Defense Enterprise Data Standards Office (DEDSO) convened a virtual meeting of the Supply Discrepancy Report (SDR) Process Review Committee (PRC) via Microsoft Teams and audio teleconference on March 24, 2022. Specific discussion topics are noted below. The meeting agenda, briefing material, the action item tracker, and evidential matter are available on the SDR PRC web page archive: <https://www.dla.mil/SDRPRC>.

2. Brief Summary of Discussion: Mr. Ben Breen, DoD Supply Discrepancy Reporting Administrator, facilitated discussions during the SDR PRC 22-01 meeting. The action item tracker contains the resulting action items. Action items are due within 30 days from the DoD SDR PRC 22-01 meeting minutes publication unless otherwise noted.

3. Opening Remarks: Mr. Breen provided opening remarks and introduced Mr. Nelson Alvarez, Acting Division Chief, DEDSO, who welcomed participants. Ms. Jan Mulligan, Principal Director, Office of the Deputy Assistant Secretary of Defense for Logistics (ODASD(L)), and Director of Supply, provided opening remarks and welcomed the meeting stakeholders. Ms. Mulligan addressed a new requirement in the proposed change process. The ODASD(L) Team will engage with DEDSO up front prior to full development of a proposed change to look for cross Component issues at the beginning of the process. This will not impact routine minor changes affecting existing processes and procedures.

4. Meeting Topics:

a. Agenda Topic 1 – WebSDR Metrics

Mr. Breen provided a high-level overview of the current and new WebSDR status codes used for SDR metrics. Mr. Breen stated that these status codes are internal to WebSDR and will not be required for any other DoD SDR system. The updated WebSDR metrics are much improved and provide more specific SDR status for customers. The current and planned status codes incorporated into WebSDR are as follows:

- Validated/Disposition Provided Status Code (4) interpreted to mean that an SDR reply from shipper or the ICP has been provided by showing a valid SDR reply with disposition.
- When interim Reply Codes (103, 104, 107, 108) are used, final status will not be provided, and these records will not be captured in the metrics for this status code.

Mr. Brown, DLA, inquired about the current definitions of interim Reply Codes for 107 and 108. DLA recommended that interim Reply Codes 107 and 108 be re-designated as final SDR disposition reply codes as it relates to DLA systemic procedures. Currently, DLA systems would not treat and respond to Reply Codes 107 and 108 as interim and instead treat them as final Validated/Disposition Provided Status Code (4) records. The concern for DLA is the interim open status would negatively impact DLA response time metrics stemming from differences in SDR systemic processing between WebSDR and DLA Distribution Standard System (DSS).

Additionally, DLA DSS uses Report of Discrepancy (ROD) codes to define status internally which may complicate coordination between DSS and WebSDR.

- SDR Cancelled by Initiator Status Code (5)
- SDR Denied Status Code (6) interpreted to mean that an SDR reply with one of the following codes has been posted:
 - Valid Submission Type 11 (Reply)
 - With 200-Series Discrepancy Code(s)
 - With 700-Series Discrepancy Code(s)
 - With 800-Series Discrepancy Code(s)
 - With 900-Series Discrepancy Code(s) exception (936,937)
- ILCO Rejection Status Code (7)
- SDR Closed – CN Closure Status Code (TBD)
- SDR Closed – Info Only Status Code (TBD)
- SDR Open – Interim Response Provided Status Code (TBD)
- SDR Closed – Invalid Status Code (TBD)

Mr. Brown, DLA, further commented on the use of SDR interim response codes and how these can impact the standard SDR response time metric. In many cases the current business rules do not take SDR exception scenarios into account when calculating response metrics. For example, exceptions include SDRs requiring a long-term investigation identified as such with a 500-series interim response or PQDRs submitted on the SDR also requiring a longer investigative period. DLA currently excludes these from DLA metrics and does not consider these SDRs overdue. Mr. Brown recommended moving some codes to a separate category and remove Reply Code 103 out of the interim response code list. DEDSO took an action item to remove Reply Code 103 from the interim response code to another category. Additionally, Mr. Brown stated that Reply Codes 519 and 520 should be placed in a separate list/category citing audit findings/notices of findings and recommendations (NFR) regarding past due SDRs not dispositioned in the standard timeframes.

Action Item 1: Draft new Proposed Defense Logistics Management Standards (DLMS) Change (PDC) to re-categorize metrics statuses for SDR Reply Codes 103 (Discrepancy report receipt acknowledgment), 519, and 520 to exclude these reports from metrics due to the length of time expected for a final response. Additionally, remove Interim Reply Code 103 Discrepancy report receipt acknowledgment from the interim response code list. Action for DEDSO. **Status:** Open.

b. Agenda Topic 2 – WebSDR Document Type 5 Storage Quality Control Report (SQCR) Reply Functionality

Mr. Breen briefed the user process for the new WebSDR Document Type 5 SQCR reply functionality for the attendees illustrated by screen shots from the application reply process. Users can refer to the briefing slides tutorial as needed.

Action Item 2: Provide confirmation that DSS will be updated to hold 800 characters in the remarks field as required by ADC 1377C. Action for DLA HQ. **Status:** Closed.

c. Agenda Topic 3 – Foreign Military Sales Product Quality Deficiency Reporting

Mr. Steve Nace, DLA Technical & Quality Assurance Division (J344) briefed the current state of the DoD Foreign Military Sales Product Quality Deficiency Report (PQDR) submission timeframes, an assessment of the current process. He also addressed the DoD policy positions and provided proposed steps toward standardizing the process for the Foreign Military Sales (FMS) community. Today, the FMS community processes PQDRs using the WebSDR (and associated SDR standards) application and process that permits incorrect processing of PQDRs. Mr. Nace highlighted the need for process improvements dating back to 2008 and after a 2021 process review stated that there have been no remarkable improvements to date. In 2021 DoD PQDR/SDR policy representatives met to discuss the FMS PQDR and agree to standardize the process. The recent assessment revealed five key issues where improvements are required as listed below:

- SDR and PQDR policy are both conflicting and unclear on how FMS quality reporting is to be conducted
- There is no standardization with how International Logistics Control Organizations (ILCO) report quality related SDRs (sometimes as SDR, sometimes as PQDR)
- There is no standardization for how the DoD supply activities are investigating FMS quality related SDRs
- SDR systems were not designed to capture the same investigative information as SDRs, causing frustration for FMS customers
- SDR reporting has a limit on the number of days that in which an SDR must be reported, while the PQDR process does not

Mr. Nace stated that PQDRs are more technical in nature that cannot always be identified at time of receipt as with SDRs, and the exact deficiency cannot be determined, for example, dimensions or specifications.

DoD SDR/PQDR policy positions were discussed mentioning that stakeholders agree that the process move towards standardization by taking the following steps:

- FMS quality deficiencies reporting through an established PQDR reporting system pending full implementation of DLMS 842P Product Quality Deficiency Report (PQDR) Data Exchange. The final 842P implementation is pending PDC 1007E- 842P Procedures, Business Rules, Data Elements and Coding Updates– PDC nearing completion
- This change will not affect the process partner nation’s ability to submit their findings
- The new language will clearly state that the timeframe for PQDR submission remains 12 months – current allowable timeframe for SDR submissions (*Requirement per DSCA General Counsel*)
- FMS quality deficiencies reporting through an established PQDR reporting system pending full implementation of DLMS 842P

- Final 842P implementation pending PDC 1007E – PDC nearing completion
- Implementing agency's ILCO receive formal training prior to go-live reporting through PQDR processing systems

During the discussion, Ms. Yolanda Johnson, US Army TACOM, expressed the need for PQDR timeframes to support the FMS requisition process as stated to ensure that customers are not limited/restricted when reporting latent defects. Mr. Henry Via, USA Security Assistance lead, confirmed that there should not be any limitations for reporting latent defects.

Conclusion, Mr. Nace recommends the DoD take steps towards standardization by publication and issuance updates, DLMS 842P (PQDR) implementation, PQDR training to support ILCOs PQDR processing, and DoD PQDR Steering Committee Expansion to include ILCOs participation in recurring policy meetings.

d. Agenda Topic 4– DLA/DLA Distribution Approved DLMS Change Implementation Status Review

Mr. Jose Pereira, DLA, provided a DLA/DLA Distribution high-level ADC Implementation review of a pre-defined list of SDR specific changes that were approved beginning in 2019 to present. (Refer to Enclosure)

Action Item 3: Verify that DLA WMS/Disposition Services can process the Closure Notices per ADC 1347. Action for DLA Disposition Services. **Status:** Open.

e. Agenda Topic 5 – DAAS WebSDR Approved DLMS Change Implementation Status Review

Mr. Breen provided a high-level DAAS WebSDR ADC Implementation review of a pre-defined list of SDR specific changes that were approved beginning in 2019 to present. (Refer to Enclosure)

f. Agenda Topic 6 – Army Approved DLMS Change Implementation Status Review

Ms. Johnson provided a high-level ADC Implementation review of a pre-defined list of SDR specific changes that were approved beginning in 2019 to present. (Refer to Enclosure).

g. Agenda Topic 7 – Navy/USMC Approved DLMS Change Implementation Status Review

Mr. Mike Donnelly, US Navy Supply (NAVSUP), provided a high-level NAVSUP Product Data Reporting and Evaluation Program (PDREP-AIS) ADC Implementation review of a pre-defined list of changes that were approved beginning in 2019 to present. PDREP is the SDR system serving the Navy and USMC activities. (Refer to Enclosure).

Action Item 4: Establish formal testing between PDREP and DLA Warehouse Management System (WMS) teams for SDR Document Type Code 5 – SQCR functionality. Request that NAVSUP/PDREP team establish test case scenarios so that testing with the WMS team can be planned. Action for NAVSUP/PDREP team. **Status:** Open.

h. Agenda Topic 8 – Air Force Approved DLMS Change Implementation Status Review

Mr. William Wenzel, Chief, Supply Policy, Air Force/A4LR, provided a high-level Air Force Integrated Logistics Systems-Supply (ILS-S) ADC Implementation review of a pre-defined list of changes that were approved beginning in 2019 to present. Mr. Wenzel stated that ILS-S represents the US Air Forces retail systems and is limited to retail discrepancies only. (Refer to Enclosure).

Meeting Wrap Up

Mr. Breen reviewed the four outstanding action items from today's meeting during the meeting wrap up discussion.

Conclusion: Mr. Breen opened discussions to all attendees for any additional questions/concerns before the end of the meeting. DEDSO will collaborate with stakeholders in the development of requirements and will host additional meetings as necessary.

The Component SDR ADC implementation status review files are available for review in coordination with the DoD SDR PRC 22-01 Meeting Minutes and are posted to the DoD SDR PRC webpage archive section using a secure link.

Next Meeting: The Defense Enterprise Data Standards team thanked all attendees for their participation, enthusiasm, and continued support. The next SDR PRC meeting is tentatively scheduled to be held in October 2022.