IN REPLY
REFER TO DLMSO

OCT 7 2002

MEMORANDUM FOR. SEE DISTRIBUTION

SUBJECT': Defense Logistics Management Standards (DLMS) Supply Process Review
Committee (PRC) Meeting 02-3, September 10-12, 2002

    'I he attached minutes of the DLMS Supply PKC Meeting 02-3 are forwarded for your
information and appropriate action. The Supply PRC Meeting 03-1 was tentatively scheduled for
January 28-30, 2003.

    The Defense Logistics Management Standards Office points of contact are Ms. Ellen
Hilert, at (703)767-0676, DSN 427-0676 or e-mail: ellen hilert@hq.dla.mil; and Ms. Mary Jane
Johnson, (703)767-0677, DSN 427-0677, or e-mail: maryjane_johnson@hq.dla.mil.

JAMES A. JOHNSON
Director
Defense Logistics Management
Standards Office

Attachment

DISTRIBUTION:
ADUSD(L)SCI
Supply PRC Representatives
Attendees

DLMSO

MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards (DLMS) Supply Process Review
             Committee (PRC) Meeting 02-3, September 10-12, 2002

        Purpose: The Defense Logistics Management Standards Office (DLMSO) hosted the
subject meeting at the Headquarters Complex, Ft. Belvoir, VA. Specific discussion topics are
noted below. A list of attendees is shown at Enclosure 1.

        Brief Summary of Discussion: Ms. Ellen Hilert Supply PRC (SPRC) Chair,
Ms. Mary Jane Johnson, MILSTRAP Administrator, and Ms. Vermella Savage, MILSTRIP
Administrator, facilitated discussion:

        Review of Meeting Topics:

              a. **DLSS/DLMS Change Evaluation, Status Review, and Issue Resolution.**
The following specific changes were discussed:

                 (1) **Revised Request for Implementation Dated (RFID) AMCL 9,
Processing Materiel Receipts Not Due for GSA Managed Items.** <u>BACKGROUND:</u>
AMCL 9 was developed to address unauthorized returns of GSA-managed items. To
implement the change, the Services are required to provide the distribution depot receiving the
unauthorized return of GSA assets, with a Service organization to which the receipt should be
reported. This change can be implemented on a staggered basis, in conjunction with the DLA
depot system. It was noted at SPRC meeting 01-3 that Component use of the SDR recoupment
process would provide a deterrent to unauthorized returns. <u>DISCUSSION</u>: DLMSO asked
Army to ascertain if AMCL 9 could be implemented sooner that the standard implementation
date of December 2004 which Army routinely provides. Air Force is checking on how and
when they can implement. Air Force had previously indicated they were ready to implement,
and was asked to explain how they planned to implement since interface with DLA distribution
depots would be required, and the information may be helpful to the other Components. Marine
Corps indicated they are working this issue.   DLA is working the issue and may provide a
suggested method to address the assets. <u>ACTION:</u> **Within 45 days** from the date of the
minutes, request **Air Force** provide information on their implementation plans/method; request
Navy, Marine Corps, and DLA respond to the RFID. **DLMSO** will try to ascertain the
current magnitude of the problem of unauthorized return of GSA managed assets.

(2) **Joint AMCLs 10 (MILSTRAP) & 34 (MILSTRIP), Identification of Product Quality Deficiency Related (PQDR) Materiel**. **BACKGROUND:** This AMCL provides a standard means of identifying and controlling potential/confirmed product quality deficient materiel within and across Components. Further, it employs the new standard Supply Condition Code Q and Management Codes O and S to distinguish which deficient materiel must be mutilated upon turn-in to the DRMS. **DISCUSSION:** The PQDR IPT requested that the Supply PRC coordinate an implementation date among the Components. Status was reported as: USAF ready to implement; USA finalizing program/some problems encountered; DLA depot systems appear ready, however DRMS changes not in place; USN will not implement until 2004. DLA must take appropriate action to achieve changes required by the DRMS (to include development of a systems change request). Remaining issues include coordinating plans for processing of PQDR-related materiel currently in SCC L (conversion to Q) and coordinating staggered implementation which may require work-around procedures for Components not ready for automated processing (e.g., Navy). **ACTION:** DLMSO will request an internal DLA meeting to clarify responsible parties for the DLA implementation actions and develop an approach for dealing with the other remaining issues.

(3) **Joint AMCLs 11 (MILSTRAP) & 15 (MILSTRIP), Revised Materiel Receipt Acknowledgement (MRA) Procedures. BACKGROUND:** The AMCL 11/15 procedures were initially developed to resolve DoD system deficiencies identified in various DoDIG and GAO reports. In 1996, ADUSD(L)MDM, recognizing the benefits AMCL 11/15 could have for metrics analysis (presently addressed under the DoD Customer Wait Time initiative), directed and funded implementation of AMCLs 11 and 15. Components accepted the funding and implemented on a staggered basis from 1997 into early 1999, subsequently reporting full implementation. Numerous significant implementation issues have since been identified but have not been fully resolved. DLMSO noted at SPRC meeting 02-1, that they would elevate issues of non-implementation to ADUSD SCI for resolution. DLMSO has agreed at past meetings to consider using smaller working group meetings, either led by DLMSO or delegated to the affected Components to lead, to address some of the specific implementation problems that have been identified. **DISCUSSION:** The following issues were addressed at this meeting (**refer to the minutes of SPRC meeting 01-1 and 01-2 for detailed documentation of implementation issues**):

(a) **Army implementation of AMCL 15 (MILSTRIP).** **BACKGROUND:** Review of DAASC records in May 2001 revealed a complete absence of DI Code ASH transactions for Army. This implies that Army has not implemented the AMCL 15 procedures in their ICP system or, if implemented, the transactions are not getting to DAASC. At the past few SPRC meetings, Army was asked to investigate and provide status of corrective action. **DISCUSSION:** The Army SPRC representative was not able to attend meeting to present his findings. **ACTION:** Request **Army** provide DLMSO the initial results of their findings of investigation into AMCL 15 implementation status in their ICP system, and anticipated corrective action, **by October 30, 2002**.

(b) **MRA Submission Rate Concerns**.

1 **Navy Overall MRA Submission Rates**.
BACKGROUND: Despite having accepted funding from OSD to implement AMCLs 11/15 in 1996/1997, and having reported the change as implemented in their legacy systems, Navy's

overall MRA submission rate remains low, indicating the change was never fully implemented. At previous SPRC meetings, Mr. Michael Morra, Navy SPRC representative, stated that because Navy legacy systems are being replaced by ERPs, Navy will not apply resources to change the legacy systems to fully implement AMCL 11/15. Rather, implementation would be accomplished through the Navy's ERPs which will have the "transactional agility" to accommodate the AMCL 11/15 procedures. At SPRC meeting 01-3, DLMSO advised the Navy Supply PRC representative that he must ensure that all Navy system modernization efforts/offices are apprised of the AMCL 11/15 requirements, and their importance to DoD. Further, DLMSO tasked Navy to document when and how Navy will implement the AMCL 11/15 MRA procedures. If implementation is to be accomplished by the multiple Navy ERPs, Navy must, as a MINIMUM: a) document which ERPs will implement the procedures; b) document when each ERP will implement the procedures; c) identify what systems each ERP is replacing; and d) assure that all recipients of shipments of DoD wholesale materiel will be capable of submitting MRAs under the ERPs. The documentation requested was not provided. DLMSO and DAASC questioned whether Navy's ERPs would provide a solution for their low submission rate, since the fix would have to come from the customer level not the wholesale level. The Navy SPRC representative believes that the Navy ERPs would replace the Navy retail systems as well as wholesale systems. DLMSO emphasized the ERPs would have to replace all of Navy's customer systems. **ACTION:** DLMSO will formally task Navy to provide the information requested at earlier SPRC meetings.

(c) **DI Code D6S Transactions**: **BACKGROUND:** To accommodate staggered implementation from 1997-1999, DAASC provided a temporary conversion of DI Code D6S to DI Code DRA. This interim procedure would not be required with full implementation of the MRA procedures, however DAASC query in July 2000 revealed continued generation of D6S transactions. Air Force indicated that their D6S transactions are limited to the Air Force medical system (MEDLOG) which is being phased out and replaced by DMLSS which will include the AMCL 11/15 requirements. DMLSS implementation began 1 and ½ years ago (April 2001) and was scheduled to be staggered over a 3-4 year period. Air Force has requested that full AMCL 11/15 implementation for their Medical system be obtained through DMLSS implementation, while DAASC continues conversion of MEDLOG generated DI Code D6S transactions in the interim. **As DMLSS implementation continues, the Air Force D6S numbers should be dropping.** **DISCUSSION:** Marine Corps has successfully stopped their D6S generation, while Army D6S transactions dropped 93% from one year ago. Navy D6S levels dropped 45% from July to August 2002. Navy attributes this drop to a fix made in Navy's retail shipyard system, Material Access Technology (MAT). However based on discussion of Navy rejects of the new DRAs created by MAT, it appears that the fix was incomplete. The old D6S RIC To of 'HR2' (DAASC) was incorrectly appearing in Navy DRA transactions which should be directed to the ICP not DAASC. Additionally, it appeared from discussions that MAT may also erroneously be using a RIC scanned from the Issue Release/Receipt Document (IRRD), for the RIC To, even though the RIC To is not bar-coded on the IRRD. MILSTRAP guidance for the source of the DRA RIC To is very specific in the MILSTRAP DRA format (Appendix AP3.29). **ACTION:** **Navy** will relay the SPRC discussion to the MAT system proponent, investigate the reason for incorrect RIC To entries, take corrective action, and report at SPRC 03-1. **Navy** will also investigate the source of the remaining D6S transactions for corrective action. **Army** will continue to investigate and take corrective action to eliminate D6S generation and report at SPRC 03-1. **Air Force** should check to assure that DMLSS is generating DRAs and whether

the Air Force D6S numbers are dropping as planned as DMLSS implementation continues, and report at SPRC 03-1.

MONTHLY D6S TOTALS											
2001						**2002**					
	JUL	**AUG**	**SEP**	**OCT**	**NOV**	**JAN**	**FEB**	**MAR**	**APR**	**JUL**	**AUG**
Navy	10,763	11,853	9,182	10,542	10334	9059	12055	11469	9929	7191	**3948**
Air Force	2,312	2,590	2,538	2,829	1697	1839	2067	1840	1944	2275	**2026**
Army	794	996	29	4	13	33	51	20	64	109	**93**
Marine Corps	60	45	17	69	13	12	0	0	0	0	**0**

(d) **Quantity Problems.   ARMY: <u>BACKGROUND</u>:** Army programmed their system to cite the quantity received rather than the missing quantity, when less than the shipped quantity is received. This approach conflicts with approved procedures. At SPRC meeting 01-2, Army indicated a system change to correct the problem has been written, however, due to a moratorium on changes to the Standard Army Retail Supply System (SARSS), the requirement must be elevated within Army. **AIR FORCE**: <u>BACKGROUND:</u> Air Force programmed their system to report MRAs showing a discrepancy indicator code F, indicating a quantity missing, for materiel that has in fact not yet been shipped. Air Force is pursuing a correction to the problem. **<u>DISCUSSION</u>:** The Army SPRC representative was not able to attend the meeting to provide status of corrective action. The Air Force indicated Air Force correction may not take place until their modernized system. **DLMSO noted again that this change was directed and funded by OSD, and erroneous implementation should be corrected by the Components.** <u>ACTION</u>: **Army** to provide status of corrective action to DLMSO **by October 30, 2002.**

(e) **Security Assistance (SA) Concerns**. DLMSO issued a memorandum, April 11, 2001, formally tasking the Services to respond to DSADC questions/concerns. To date DLA, Navy, and Air Force have provided a response to the Security Assistance issues. Marine Corps indicates their response is the same as the Air Force. <u>ACTION</u>: Request **Army** provide formal written responses to the April 11, 2001 memorandum to DLMSO by **October 30, 2002**.

(f) **Partial and Split Shipments. <u>BACKGROUND</u>:** At SPRC meeting 01-1, the PRC was tasked to provide by May 15, 2001, detailed documentation on how their retail receipt and MRA processes/systems react to the partial and split shipment coding in the TCN field; documentation on the full impact of partial and split coding on SDR generation; and identification of what, if any, entry is currently being made in rp 7 of the DI Code DRA/DRB, to include the associated programming logic and procedural guidance. Requested documentation has not yet been received from Army, Air Force, or Marine Corps. **<u>DISCUSSION</u>:** See SPRC 01-1 and 01-2 for detailed explanation of the problem. At SPRC meeting 02-1, Army retail, and Air Force, verbally indicated they did not react systematically or procedurally to the TCN partial or split shipment coding. At SPRC 02-3, Air Force indicated that they compare the assets received to the accompanying paperwork. Air Force scenario: A quantity of 10 is due-in on a particular document number/suffix code. A quantity of 2 are received on a partial depot shipment with paperwork showing that 2 were shipped.

Air Force generates a receipt for quantity of 2, an MRA for quantity of 2 for the given document number/suffix code. The due-in record is decreased by 2. Subsequently, a second depot partial shipment of 2 arrives with paperwork showing that 2 were shipped. Air Force checks the due-in record showing that 8 remain due-in, processes the receipt and the MRA for a quantity of 2, using the same document #/suffix code, and decreases the due-in by 2. There is no check for duplicate transactions (the 2 receipt/MRA transactions in this scenario would be identical), since the due-in record reflects that a quantity of 8 is still due-in for that item under that document number/suffix code. Air Force felt there was no detrimental impact on their SDR processing since they compare the paperwork to the assets received and process accordingly. DAASC noted that they close the requisition record for Logistics Response Time (LRT) purposes, when the first MRA transaction is received. However they do process all of the subsequent MRA transactions received for that document number/suffix code to the ICP, and they are all written to the history file. **ACTION:** In light of the widespread use of partial shipments by DSS, all Components should be looking at the impact of partial shipments on their systems and procedures. **Components should identify a requirement to their modernized systems to consider the TCN partial and split shipment coding in modernized system requirements for receipt, MRA, and SDR processing.** The TCN is included in the DLMS 527R transaction. The TCN is not available in the 80 record position DLSS receipt and MRA transactions. DLMSO again requests that **within 45 days** from the date of these minutes, **Army and Marine Corps** provide detailed documentation on their procedures for processing partial and split shipment coding contained in the TCN field in their retail receipt, MRA, and SDR processing; and the impact if procedures/systems do not consider this data. DLMSO will identify to Navy those areas for which additional clarification is required for information Navy previously provided. Request DLA continue efforts to verify the magnitude of the depot's use of partial shipments, and ascertain the extent to which transportation splits shipments.

(g) **Supply Discrepancy Reports (SDRs) Based upon Army "Pseudo" Receipts (Material Receipt Acknowledgement (MRA) with Discrepancy Code F). BACKGROUND:** As discussed at previous meetings, DLA continues to report receipt of unresearched pseudo receipt SDRs. DLA procedures allow for these SDRs to be returned to the customer without DLA action. The Army indicated that appropriate formal training has been instituted, however the turnover of personnel still results in a high volume of unresearched pseudo receipt SDRs being submitted to DLA **ACTION:** The Army will continue to pursue corrective action where possible and report back to the Committee. There is no established plan to correct the underlying cause which would require program changes to the MRA process.

(h) **MRA Report.** DAASC has completed their effort to web host the MRA report. Prior to SPRC approval of the report, DAASC will limit web access to the SPRC by password authorization. The web hosted report will contain documentation about the report, as well as drill down capability. DAASC has completed the draft report. The **ACTION**: MILSTRAP Administrator will provide the SPRC necessary information to access the draft report so they can review the report and make recommendations for change if needed.

(4) **RFID Joint AMCLs 12 (MILSTRAP) and 43 (MILSTRIP), Maintaining Accountability During Maintenance Actions. BACKGROUND:** Joint AMCLs 12 and 43 were developed to provide more accurate DoD accountability for items

undergoing maintenance, in response to DoDIG and GAO audit reports identifying weaknesses in this area. In light of the importance of this change, the GAO and DoDIG interest, and the positive implementation response previously provided by Army, Air Force and Marine Corps, DLMSO requested that DLA and Navy provide their response to the RFID in anticipation that the procedures can be implemented and published in the near term. **DISCUSSION**: This topic was tabled to SPRC meeting 03-1. At SPRC 03-1, the JGMM subgroup for Supply Support to Inter-Service Depot Maintenance will brief on the activities of their group and identify potential impacts on to AMCLs 12 and 43.

(5) **RFID ADC 12, Revised Procedures for Logistics Reassignment (LR)**. **BACKGROUND**: ADC 12 revises LR procedures to ensure accountability and control of materiel in support of DoD 4140.1-R policy which places accountability for wholesale assets in storage with the distribution depot. Under ADC 12, the losing inventory manager (LIM) transmits new Document Identifier (DI) Code A5W/A5Y, LR Materiel Release Orders (MROs) to the distribution depot. The LR MROs direct the depot to record, under gaining inventory manager (GIM) ownership, assets being logistically reassigned to the GIM. The depot responds to the LIM with an LR materiel release confirmation, or LR materiel release denial. The depot provides a new LR Receipt transaction the GIM. These procedures support automated processing to effect record balance quantity updates. Assets are "shipped/receipted in place" rather than physically moved. This change provides the audit trail necessary for maintaining the accountable balance at the distribution depots during LR. At SPRC meeting 02-1, Components were tasked to communicate ADC 12 requirement to modernization offices to ascertain possible implementation date. **DISCUSSION**: With possible exception of DLA BSM, Components are unable to establish a date for implementation in modernized systems at this time. Request was deemed premature. **ACTION**: Components should assure modernization offices are aware of the ADC 12 requirements, and that they will require joint DoD implementation.

(6) **Revised RFID ADC 14, New Supply Condition Code (SCC) V, Unserviceable (Waste, Military Munitions).** **BACKGROUND:** ADC 14 was issued July 27, 2000, with a December 2004 joint implementation date to accommodate the outside date, provided by Army. In May 2001, Army advised they could implement ADC 14 immediately, and asked if joint implementation earlier than 2004 was possible. DLMSO reissued the RFID on June 21, 2001. This change is required to support the Environmental Protection Agency (EPA) Military Munitions Rule, which was effective August 12, 1997. **DISCUSSION**: Army confirmed that they can implement at any time. Navy provided an updated implementation date of February 2003. Marine Corps indicated they can implement concurrent with Army's date. DLA indicated DSS can implement at any time, and did not believe there would be any DRMS impact but expected verification soon. Air Force had not yet determined an implementation date. DLMSO recommended that Air Force strive to meet the Navy date as implementation of this change is necessary for DoD compliance with the EPA Military Munitions Rule. DLMSO asked the Components to consider whether Army, Navy, Marine Corps, and DLA could implement in February 2003 without Air Force if necessary. The answer will depend on whether the other Services will have logistics transaction interface with Air Force on SCC V assets. If they will, staggered implementation may not be possible as the Air Force system would not be able to process SCC V. **ACTION:** Request **Air Force** provide DLMSO their response to the RFID by **October 10, 2002**. Request **Army, Navy, Air Force, and Marine Corps**, discuss with their munitions system point of contact, whether ADC

14 can be implemented jointly by all except Air Force in February 2003, with Air Force to follow at a later date in the adverse event that Air Force provides a distant implementation date.

(7) **ADC 57, Enhanced Edits for the Required Delivery Date (RDD) Field in Requisitions (PDC 65).** <u>BACKGROUND:</u> This change provides clarification and revision of business rules relating to the use of the RDD field and its compatibility with the priority designator (PD). It includes provisions for DAAS or the ICP to edit of the requisition RDD and PD fields to ensure incorrect entries are identified and appropriately modified prior forwarding/processing the requisition. Under most conditions, DAAS or the ICP will provide supply status notification of requisition modification whenever a customer PD/RDD entry is blanked out or modified based upon prescribed rules. Additionally, demand sequencing is revised to eliminate providing precedence to requisitions with an RDD/RAD earlier than the computed SDD or containing an expedited transportation signal. <u>DISCUSSION</u>: DLA reported implementation of this change. DAAS implemented subsequent to the meeting on or about September 23, 2002. MILSTRIP publication of this change is incorporated in Interim Change 02-4 which was disseminated to Committee members on September 1, 2002. <u>ACTION:</u> DLA alerted the Committee to numerous inquiries received from customers who are not aware of the revised edit and cannot determine exactly what has transpired from their status transactions. [The AE_, Supply Status, reflects only a multi-purpose BK status and cannot show the revised RDD because the date of the status transaction (rather than the RDD) appears in rp 62-64.] There is no remedial action suggested other than to advise customers and customer service representatives how this edit works.

(8) **PDC 79, Revision to DLSS/DLMS Requisition/Referral Order for Owner-Directed Disposition of Component-Owned Stocks, Centrally Managed and Maintained in Commingled Storage by DLA** <u>BACKGROUND:</u> This change modifies the requisition and referral order format and associated procedures applicable when a Component has entered into a memorandum of agreement (MOA) with DLA regarding Component-owned stock which is to be centrally managed/stored by DLA. <u>DISCUSSION:</u> The PRC Chair emphasized that these procedures are provided to document an existing process. The original impetus stemmed from a request by USSAMA to accommodate their data requirements related to issuing war reserves from DLA depots as they converted from DLSS to DLMS. The resulting SDR does not address all the interface issues. Further, DLMSO recognizes that there are policy questions concerning the improperly recorded ownership of depot stocks on the accountable record. The PRC questioned the ongoing requirement for this process since the procedures where developed prior to the transfer of Component depots to DLA. The desired benefit of stock rotation would be available in the current environment without the added complexity imposed by this process. <u>ACTION</u>: The Joint Physical Inventory Working Group (JPIWG) will review policy and procedures related to this process during their September 24, 2002 meeting. The JPIWG will document concerns and/or suggest corrective action as a separate change action. The Components were requested to asses the volume and type of items involved in these MOAs and report back to DLMSO NLT 30 days from the date of this memorandum. (Subsequent to the meeting, the USAF confirmed that they have not initiated such an MOA. The USN does have an extremely limited usage. Although the number of items has been cut back, the USA has retained the MOA with DLA for war reserves/DEPMEDs assembly items.) In the absence of confirmation that this process

will be discontinued in the near future, DLMSO will modify the wording to further reduce "commingled" terminology and issue an approved change documenting the current process. If necessary, corrective action for interfaces and accountable record to be addressed separately.

(9) **PDC 84, Narrative Message Reject for Blank Quantity Field in Materiel Receipt Acknowledgement (MRA) Transactions (DI Code DRA/DRB).** **BACKGROUND**: MRA transactions submitted with invalid quantity fields are of limited value and undermine the intent of the DoD MRA process. Further, American National Standards Institute Accredited Standards Committee (ANSI ASC) X12 syntax edits require a valid quantity entry in the 527R implementation convention for MRA. Since the quantity is a required entry in MILSTRAP DI Code DRA/DRB, PDC 84 proposed DAASC rejection of MRA transactions received with an invalid quantity using a narrative message indicating the quantity was invalid and the MRA should be corrected and resubmitted. **DISCUSSION**: The SPRC discussed this change and approved the DAASC recommendation to expand the narrative message rejects to include quantities which contain alphas or special characters. MILSTRAP does not authorize reversal of MRA transactions, so entry of a special character as a reversal indicator is not allowed. The SPRC discussed the use of the MILSTRAP DI Code DZG, Reject transaction in lieu of narrative message reject. Since MILSTRAP procedures are primarily wholesale, the DZG reject was not programmed for use at Service retail activities, with the exception of Air Force. In light of the inability to change legacy retail systems to process DI Code DZG, the SPRC agreed to the narrative message reject for this purpose. The MILSTRAP Administrator noted that narrative message rejects are presently used at retail by MILSTRIP. Further, correction of the source of the invalid quantity field entries will eliminate the need for the MRA narrative message rejects. The generation of MRA transaction with an invalid quantity field suggests a system problem which the Service MILSTRAP/SPRC representatives should be investigating/correcting. To this end, DLMSO provided the SPRC with a DAASC listing reflecting all DoDAACs which generated MRAs with invalid quantities in August, and advised the SPRC representatives to contact DAASC directly for more detailed information at the transaction level as needed for their investigation. **ACTION**: **Components** are to investigate the source of the MRA transactions with invalid quantities and take corrective action. **DLMSO** released ADC 74, Narrative Message Rejects for Invalid Quantity in MRA transactions, September 17, 2002.

(10) **PDC 87, Corrected Rules for Signal Code Usage on Disposal Turn-in Documents (DTIDs).** **BACKGROUND:** This proposal revises MILSTRIP documentation to conform to current DTID processing rules at the Defense Reutilization and Marketing Office (DRMO). It authorizes the flexibility to use multiple signal codes and provides specific rules for their use. **DISCUSSION:** After reviewing the discrepancy between current documentation and the DRMO implementation, the Committee concurred with the need for the procedural documentation revision and recommended additional changes, e.g., inclusion of specific corresponding changes in the disposal release order instructions. **ACTION:** DLMSO modify the proposal and release for formal coordination. The Finance Chair will investigate whether there is a need to further explain the billing interface. When the resulting bill contains a Signal Code B, the bill-to office identification will be reflected in the supplemental address field.

b. **Financial Impact of Non-Customer-Generated Requisition Rejection/Cancellation.** **BACKGROUND:** During the SPRC 02-2 meeting, the Army reported $60M in losses due to de-obligation of requisition funding subsequent to cancellation/rejection. The problem was perceived to be caused by MILSTRIP procedures which dictate strict rules for rejecting/canceling nonconforming requisitions and then require resubmission of cancelled requisitions under a new document number. Under Army procedures, when the fiscal year changes during this process, the funds cannot be reused and are lost. **DISCUSSION:** The Army indicated that the value of lost funding was substantially greater than initially reported and that they continue to research the causes and corrective actions. An internal Army problem is causing some of the rejects and must be addressed by the Army: Under single stock fund Army customers code their requisitions as free issues, however when referred outside DLA, the Army automated system applies the appropriate signal code/fund code information. When the modifier is submitted directly to DLA by the customer, it retains the original free issue coding and is rejected. One MILSTRIP issue was clarified as an inconsistent use of the Status Code CX on requisition modifiers, vice the normally used D7 status. The text associated with the CX indicates that a customer must resubmit on a new document number; the D7 does not. **ACTION:** Army will continue to review internal implementation of requisition processing and research extensive delays in resubmission which may be the main problem. DLMSO will issue a proposed change to correct CX status processing so that the standard status D7 will be applied to requisition modifiers.

c. **DLMS Training**. DLIS development of a DLMS web-based training (WBT) option based upon the original three-day program is nearing completion. DLMSO will advise when available for general access (expected by November 1, 2002).

d. **DLMS XML Schemas.** DLMSO reported that DLMS schemas have been prepared using a software tool that converts the DLMS ANSI EDI transaction to XML format. DAASC mapping/testing must be accomplished prior to formal release, which will include posting to DLIS and DISA repositories.

e. **Global Transportation Network (GTN) Data Integrity**.   Mr. Robert Loviska, provided background information and requested SPRC assistance in clarifying or correcting data problems stemming from MILSTRIP transaction feeds to the GTN.   Some specific clarification was provided; others will require further research:

? Missing TCN/partial TCN/invalid TCN: Missing TCNs are primarily the result of local delivery and customer pick-up (modes 9 and X). MILSTRIP anticipates a TCN, while the Components have apparently interpreted the TCN as unnecessary. DLMSO has requested clarification from DTR policy. Causes for partial and invalid TCNs must be further researched.

? Missing or invalid POE: This is a Component compliance problem. Request PRC members contact appropriate offices to request assistance in researching and correcting the problem.

? Special character in quantity field: The special character is a reversal code which is only authorized in specific MILSTRAP transactions. MILSTRIP does not use reversal codes.

Request Navy assistance to research cause of AE1 with reversal codes (example: SP075096C2833)

? Outdated AS_ format: The current format for the AS_ is provided in MILSTRIP. The samples provided identified the status for map requisitions which employ a legacy system which will be replaced during modernization. Corrections to the AS_ format may not be feasible. **Request DLA** confirm.

? Alpha character in NSN field: DLMSO provided specific guidance to help GTN determine what type of stock number entry is provided based upon the DI Code. NSNs do not include alpha characters, but many other types of stock identification do. It will be impossible for GTN to always know the type provided based upon current rules.

? Invalid codes in A0_/AM_:

  o Advice Code: Requirements for valid advice codes are specified in MILSTRIP appendix AP2.15. (DoD codes are listed; Component supplementation for internal use is authorized. GTN will not have specific definitions for Component assigned codes.)

  o Signal Code: Requirements for valid signal codes are specified in MILSTRIP appendix AP2.10. (Codes = A, B, C, D, W, J, K, L, M, X; no others are valid.)

  o Demand Code: Requirements for valid demand codes are specified in MILSTRIP appendix AP2.8. (Codes = I, N, O, P, R, S; no others are valid.)

? Multi-use/Component-use fields: Some rules for specific data contents on multi-use fields is provided in the applicable manual. However, it may not be possible for GTN to know which situation applies. In some instance, MILSTRIP/MILSTRAP allow Components to designate appropriate entries. For many years, DLMSO has asked the Components to identify their coding requirements. DLMSO would like Component unique data elements to be adopted under the DLMS. DLMSO enlisted the help of the Logistics Management Institute (LMI) to research Component uniques. Results of the LMI study are available at http://www.dla.mil/j-6/dlmso/Documents/Default.htm.

? DRA/DRB vs. D6_: The DRA/DRB is the current format. Authorization was given for DAAS to convert Component D6_ transactions to DRAs to assist Components with delayed implementations. GTN should only be using the DRA/DRB transactions (also including the D6_ would result in a duplication.)
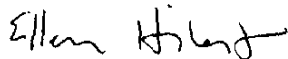
f. **Military Equipment.** Mr. Ken Schreier and Mr. Tom Ruckdashel briefed the Committee on changes in accounting practices and reporting requirements for military equipment which became effective October 1, 2002. Accounting treatment for military equipment will be the same as general PP&E. The current emphasis is on developing a standard approach and methodologies based upon automated data gathering techniques. Impact upon the DLSS/DLMS processes has not been determined at this time.

g. **DLMS Military Assistance Program Address Code (MAPAC) Mapping Issues.** DLA BSM reported problems processing DLMS transactions using the data content as mapped by DAAS from the original DLSS transaction. An adjustment was made by DAAS (outside the PRC) which provided some assistance to the BSM effort, but a new problem was encountered and brought to the attention of DLMSO. Although resolved just prior to the meeting to BSM satisfaction, there were some remaining issues which DLMSO considered appropriate to share with the PRC. The new problem stemmed from an internal SAP requirement for a Sold-To address, which may not be available when customers orders are shipped to a freight forwarder and the MAPAF does not contain a Mark-For. The resolution required DAAS to provide the clear-text country representative address from the MAPAD, Section B, via an automated feed. The committee reviewed construction of the MAPAC (at best confusing) and requested clarification of the DAAS mapping reference to A0 in rp 46-47. After a history search turned up no valid MAPACs with such coding, DAASC decided to remove this reference. Although FMS requisitions are processing, there remains a concern with the improper references/qualifiers employed in the DLMS Supplement. Currently the Ordered-By MAPAC is not a true MAPAC construction. Further, the discussion highlighted similar mapping concerns due to the selected qualifier used for the requisition's From address. DLMSO will draft a proposal to improve the terminology and mapping.

h. **Product Quality Deficiency Report (PQDR) IPT.** DLMSO provided an update on the status of the PQDR IPT effort which is coordinating/developing an automated approach to sharing PQDR information across Components. Based upon J-6 recommendation, the existing DOD Past Performance Automated Information System (now PPIRS) provides the support for the data sharing. The application architecture uses a hub and spoke approach employing a central server and multiple remote servers. The remote servers will have access to the Components PQDR databases and will incorporate holding tables for inbound and outbound data. The NAVSEA Portsmouth office has the programming lead. They are developing XML formats for shared communications. In addition to sharing PQDRs, the system will include both standard and ad hoc query/report capability, made possible by accessing Component databases through the holding tables to gather required information. Testing of the system is scheduled for December 2002. The PRC voiced concern that DAAS, as the preferred provider and hub for logistics data exchange services, may not have been appropriately considered during the technology solution phase. Additionally, the Committee wanted assurance that DLMSO will oversee XML transaction development as the Executive Agent under DoD Directive 8190.1. DLMSO will continue to participate in the PQDR IPT and investigate standardization and adoption of new XML formats under the DLMS.
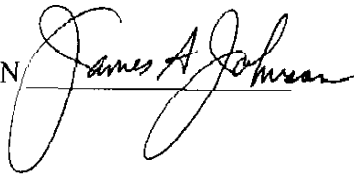
i. **Contractor Access To Government Supply Sources.** Contractor-furnished materiel (CFM) requisitions placed via DoD EMALL for corporate credit card payment were being trapped by the DAASC GFM edit and rejected with Status Code "CL." This was because these CFM requisitions were configured to look like GFM requisitions sent directly to the DLA ICP without coding to indicate that the requisition had been reviewed by the appropriate MCA first. The construct of the CFM requisitions is predetermined based upon DoD EMALL rules which include the assigning of the EMALL DODAAC to rhc supplemental address field when the customer elects to pay by corporate credit card or Government purchase card. The DoD EMALL program requested assistance from the PRC to modify the business rules so that the CFM transactions could process successfully. The Committee discussed and approved development of a new edit table at DAAS that would allow fbr verification of authorized CFM contractors and use existing GFM processing techniques to handle the transactions with no impact to Component systems. DLMSO agreed to draft a DLMS change proposal (PDC 88) to modify MILSTRIP and establish the DAAS edit table. Subsequent to the meeting, the DoD HMALL program also agreed to adopt the ancillary information associated with GFM requisitions so that these may process correctly under MILSTRIP rules.

j Next Meeting. The SPRC 03-1 meeting is scheduled for January 28-30, 2003. **ACTION:** Once again, the Navy is requested to coordinate internally to ensure that the long-promised overview of their modernization program will be provided at this meeting.

ELLEN HILERT
Supply PRC Chair

APPROVE:
JAMES A. JOHNSON
Director, DLMSO

Enclosure