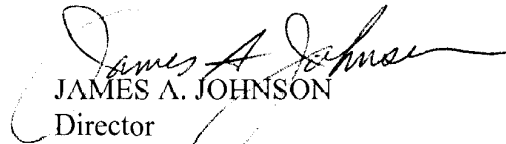IN REPLY
REFER TO DLMSO

February 2 1, 2003

MEMORANDUM   FOR: SEE   DISTRIBUTION

SUBJECT: Defense Logistics Management Standards (DLMS) Supply Process Review
Committee (PRC) Meeting 03- 1, January 29-30, 2003

   The attached minutes of the DLMS Supply PRC Meeting 03-l are forwarded for your
information and appropriate action. The Supply PRC Meeting 03-2 was tentatively scheduled for
April 22-24, 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@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   February 21, 2003

MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management Standards (DLMS) Supply Process Review
             Committee (PRC) Meeting 03-1, January 29-30, 2003

        Purpose: The Defense Logistics Management Standards Office (DLMSO) hosted the
subject meeting at the Headquarters Complex, Fort Belvoir, Virginia. 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**. **BACKGROUND:** AMCL 9 was
developed to address DOD accountability for 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, since these assets are an exception to the MILSTRAP guidance to report the receipt of
unauthorized returns to the cognizant item manager (GSA). 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. **DISCUSSION:** GSA indicated that they were no longer receiving receipt transactions
from DOD for unauthorized returns of GSA-managed materiel. Discussions revealed that as an
interim solution, pending implementation of AMCL 9, the DLA Depot system may be picking
such assets up to a DLA BOSS account for possible local use. DLMSO asked DLA to confirm
what action the depot takes when they receive unauthorized returns for GSA managed assets, and
if they can determine the volume of such assets. The Services should determine what account
they want the depot to report the assets to as required by AMCL 9. There was discussion of the
Services having the option to continue to allow DLA to pick the assets up on a DLA account, but
this approach would not resolve the problem of unauthorized return of GSA-managed assets, if it
still exists. Providing a Service account for the assets would give the Services visibility of the
extent to which such assets are being returned without authorization, identify possible problems
areas/activities, and give the Services access to such assets for their use. From a Service

                                             2

accountability aspect, it would be in their interest to provide DLA with an account to report receipt of the assets. Request the Services consider providing such an account, and the impact of not providing DLA an account to include lack of visibility of activities making unauthorized returns and lack of Service visibility/access for their own assets. **ACTION:** Request DLA identify how unauthorized returns of GSA assets are being handled by the distribution depot, what account are they receipted to, how are assets in that account distributed, and if possible an estimate of the magnitude of the problem. Request the Services strongly consider providing DLA an account to which GSA-managed assets can be receipted IAW AMCL 9, when a Service activity returns the asset without authorization, and consider the impact of not providing DLA with such an account.

(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 SPRC continues to request an implementation date from the Components. Status reported as: USAF ready to implement; DLA depot and ICPs ready to implement, however the DRMS interface has been stalled awaiting DLA clarification confirming the established requirement; no date provided. Army programming was halted due to legacy system freeze; no implementation date provided. Navy has delayed implementation until their modernization effort; however it is not clear if the requirement to recognize SSC Q is included in the modernized system. The PRC recommended that the problems with implementation delays be elevated to the Business Initiatives Council (BIC) for help/resolution. **ACTION:** Navy will provide an answer on the status of SSC Q in their modernization project; Army reported that they will determine the cost to implement in current systems and then determine if changes will be made. DLMSO and DLA will address DRMS issues.

(3) **Joint AMCLs 11 (MILSTRAP) & 15 (MILSTRIP), Revised Materiel Receipt Acknowledgement (MRA) Procedures, MRA Management Information Report.** **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. **DISCUSSION:** The Services should continue to pursue open issues which are identified in the minutes from SPRC meeting 02-03 and earlier, however at this meeting, only the draft MRA Management Information Report was discussed. The Committee discussed the report which DAASC has developed and made available on-line for SPRC review and comment. This report will provide the Components a tool to monitor compliance with the MRA policy and procedures. The SPRC representatives were given the URL and password to review the draft report and make any comments/suggestions before the report moves to the live DAASC website. The Committee was also given supporting documentation explaining the report, for review and comment. Mr. Terry Trepal OUSD(AT&L)(L&MR)SCI, noted that the MRA report might be considered a supporting tool for the current End-To-End Customer

Service Initiative. The initiative goal of perfect order fulfillment would be monitored through performance metrics for on-time shipment and conforming supply response. Because SDR metrics are not easily obtained at a DOD level due to a lack of centralized information, this report may become a suitable tool in that it captures statistics for acknowledgement of a discrepant receipt. Mr. Trepal requested assistance from the Navy in understanding differences between MRA response rates under this report and those portrayed in a similar Navy report. **ACTION:** SPRC representatives review the draft report on the web, as well as the supporting documentation, and provide comments/suggestions to DLMSO NLT March 15, 2003. DLMSO will review recommendations and advise DAASC. DLMSO provided DAASC with the following initial suggestions made during the meeting:

a) Revise the timeframes for collecting data to accommodate the "follow-up" time period as follows: Qualifying Shipments - Date Released to Carrier (recorded at DAASC) plus ~~*45*~~ *60* days ~~*falls within*~~ *to accommodate* the reporting period *and follow-up* timeframes (if Conus) or plus ~~*105*~~ *120* days (if Oconus). Allotted timeframe - shipment date released to carrier plus ~~*45*~~ *60* days if CONUS or shipment date released to carrier plus ~~*105*~~ *120* days if OCONUS. Rationale: More closely in tune with the SPRC goal of identifying % MRAs submitted within the reporting timeframe, to include the follow-up timeframe.

b) Per Air Force request, delete the following Routing Identifier (RI) Codes from the report: FFZ and F6U -- SACRAMENTO ALC, MCCLELLAN AFB CA; FPZ and F7U -- SAN ANTONIO ALC, KELLY AFB TX.

c) Per DLA request, add the following DLA distribution depot RI Codes to the report: BA4 - DDAA, Anniston, AL; BY6 - DDPT, Tobyhanna, PA; B52 - DDCT, Corpus Christi, TX. Rationale: These are former Army depots for which DLA and AMC agreed to retain the original Army RICs (to preclude expensive changes to ICP legacy systems).

(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:** The Joint Group Materiel Management (JGMM) subgroup for Supply Support to Inter-Service Depot Maintenance briefed on the activities of their group and identified recommended changes to AMCLs 12 and 43 resulting from their subgroup meetings. There was only time to review recommended changes to AMCL 12 during the meeting, and some changes were agreed to as a result of that review. DLMSO indicated that after a complete review of the JGMM subgroup recommended changes, DLMSO will release a draft AMCL 12A and 43A for SPRC review and comment before issuing as an approved revision to AMCLs 12 and 43. **ACTIONS:** DLA revise AMCLs 12 and 43 as discussed during the meeting. DLMSO will release DRAFT AMCL 12A and 43A for SPRC review/comment, after complete DLMSO review of the recommended changes and receipt of the DLA update.

(5) **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. Prior to the meeting, Army had confirmed that they could implement at any time. Navy provided an updated implementation date of February 2003. Air Force gave a May 2003 implementation date for wholesale and an August 2003 date for retail. Marine Corps indicated they can implement concurrent with Army's date. DLA indicated DSS can implement at any time, but was trying to verify a tentative DRMS position that SCC V assets would be excluded from DRMS. **DISCUSSION**: DLA advised that the DLA demil/disposal policy proponent stated that DRMS shouldn't be permitted to use SCC V based on knowledge gained working with the Navy Ammunition Logistics Center (NALC) on Ammunition, Explosives and Dangerous Articles (AEDA). The DRMS MILSTRAP POC believed the only time SCC V would apply in DAISY is if they were asked to do a sales service case. DLA will verify the DRMS position on SCC V implementation. DLMSO recommends releasing AMCL 14 with an August 2003 implementation date after the DRMS position is confirmed, and a disposal procedure is identified if SCC V assets are excluded from DRMS. **ACTION:** DLA will confirm a DRMS position on SCC V assets. DLMSO will ascertain how SCC V assets are to be disposed if DRMS does not process such materiel, with a goal towards releasing ADC 14 with an August 2003 implementation date upon clarification of these disposal issues. **SUBSEQUENT TO THE MEETING:** in response to DLMSO query, NALC verified that SCC V pertains only to munitions that the Service is declaring Hazardous Waste and are going to destroy. Per NALC, this material is never forwarded to DRMS/DRMO but is being destroyed by the Service. Air Force also confirmed that they would never send SCC V assets to DRMO.

(6) **Draft PDC 93, Identification of Items on the United States Munitions List.** **BACKGROUND**: This change requires the clear-text or automated identification of DOD USML item when offering these items to their supporting transportation offices for movement. **Discussion:** The Air Force has already implemented based upon DUSD(L&MR) guidance and agreed to provide DLMSO with the specific wording displayed on the DD 1348-1A so it can be considered for adoption in the proposed change. **ACTION:** DLMSO will finalize proposed change and send to the PRC members for coordination.

(7) **Draft PDC 98, Clarification of Transportation Control Number (TCN) Usage of Modes 9 and X.** **BACKGROUND**: One of the data quality issues identified by USTRANSCOM for GTN implementation is the lack of a TCN on shipment status transactions. The volume of missing TCNs is extremely high. Research indicates that the primary reason appears to be a lack of a common understanding regarding the use of the TCN on local delivery (mode 9) and customer pickup (mode X). Current policy and procedures do not make any exceptions for specific modes. However, Component implementation of the universally applied TCN seems to have bypassed these two modes. **DISCUSSION:** The Committee discussed whether tracking by TCN for these two modes is a valid requirement and the lack of implementation supports this assumption. Although GTN could make allowances for the absence of the TCN, it seems more appropriate that clarification of policy

and procedures be pursued. It should be noted that this change cannot be accomplished without a corresponding change to the Defense Transportation Regulation (DTR) DOD 4500.9R, which is administered by USTRANSCOM.   USTRANSCOM has agreed to support a request to clarify TCN assignment within the DTR. **ACTION**: The proposed DLMS change was forwarded to PRC members on February 4, 2003. Comments/concurrence are requested within 45 days.

(8) **Draft PDC 100, Addition of RIC of the Activity Originating the MRO/LRO/DRO to the 2D Symbol on IRRD (DD Form 1348-1A). BACKGROUND**: This proposed change requests the addition of the RIC of the Activity Originating the Material Release Order/Lateral Redistribution Order/Disposal Release Order (MRO/LRO/DRO) to the two-dimensional (2D) Symbol on the IIRD, DD Form 1348-1A. **DISCUSSION:**   There was some discussion on the need for this requirement, however there were no objections. **ACTION**: DLMSO will staff the change with AIT to verify the Identifier for the RIC and then the Proposed Change will be sent out to the PRC members for coordination.

(9) **Draft PDC 99, Service Implementation of Project Code 3AD. BACKGROUND:** Depot Maintenance Inter-Service Agreements between services are experiencing a loss of requisitions, loss of demand history and inaccurate inventories due to the current way requisitions are routed by DAAS to the source of supply (SOS). Requisitions are routed based on the NSN to the appropriate SOS. While this is appropriate for normal transactions, requisitions in support of a DMISA item often need to be routed to an alternate SOS based on decisions made by the DMISA Manager. In order to accomplish this unique routing the Air Force has proposed that requisitions with Project Code 3AD be recognized by DAAS as transactions that should be routed to the RIC that appears in record positions 4-6. **DISCUSSION:**   The USAF provided some additional background information, but could not fully describe the DMISA-related requisition process. Further clarification was requested for inclusion in the PDC. Additionally, DLA suggested that the Air Force consider using an A4_, Referral Order instead of the unique project code. Although use of the referral order for a new requisition is not sanctioned under MILSTRIP, it is employed successfully by other customers in similar situations and would require no program changes. **ACTION**: Request Air Force determine if an A4_ can be used instead of A0_ or enhance procedural information provided in the PDC. (There may be a problem with Navy proceeding with programming in advance of approval. Request DAAS verify status of DAAS routing change.)

b**. Revised Service Code Assignment**. **BACKGROUND:** The Navy has requested a modification of the rules for assignment of Service Codes in order to support additional RICs required for contractor activities in support of Navy missions. **DISCUSSION:** Several Options were discussed to include requesting NASA, who currently has 13 "V" RICs, to use other than a "V." DAAS suggested that NASA could use a "G" as do other Civil Agencies. Another option was for NASA to use a "V/numeric" and the Navy could use a "V/alpha." **ACTION**: Navy would contact NASA and determine which option is viable. DLMSO will make an administrative change to the MILSTRIP Appendix AP2.2 to indicate that Service Code U is always assigned to DLA and that Code X is reserved for intra-Service use only.   The USMC revision for Service Code L, which was inadvertently dropped from the republication, will be reinstated. **SUBSEQUENT TO THE MEETING:** Navy has contacted NASA and they have agreed to consider changing RICs. Navy has also requested DAAS determine

volume of transactions from NASA activities using "V" RICs. This information will be provided to NASA.

c. **Navy Modernization Brief – Navy ERPs**. Mr. Dan Olson briefed the Committee on the Navy project to replace their logistics systems with SAP software. The project called the Supply Maintenance Aviation Reengineering Team (SMART), is in the pilot phase and involves 400 users. Final rollout will include 49,400 users and will replace both the wholesale and retail ICP systems. The Committee expressed concern that the Navy may have allowed the DLSS (MILS) to constrain their modernization effort rather than transitioning to the more flexible DLMS. Specific questions posed by the Committee are contained in Enclosure 2. The Navy agreed to provide answers as soon as possible.

d. **Global Transportation Network (GTN) Data Integrity**. DLMSO is continuing to work on identifying and correcting data problems stemming from DLSS transaction feeds to GTN. Most recently, some of the apparent duplicate transactions were determined to have been caused by various looping situations. The Navy R-Supply DRA loop has been corrected as have several routing COMMRI errors. One problem has been tracked to an inability for DLA systems at Richmond and Columbus to accept status routed to the issuing COMMRI when the specific requisitioning DODAAC has not been identified in a special processing routine. DLA will determine the best course of action which may be either a DAAS block, SAMMS revisions, or a combination of both.

e. **DLMS Introductory Training.** The computer-based training for DLMS is now available via the internet and may be accessed using this link through the DLMSO web site at: http://www.dla.mil/j-6/dlmso/Training/training.htm. The training is hosted by DLIS. DLMSO will shortly have 100 copies of the training on CD available for distribution. Copies of the CD will be provided to the Components at the April PRC meeting. Contact the Supply PRC Chair if copies are needed prior to then.

f. **Next Meeting.** The SPRC 03-2 meeting is scheduled for April 22-24, 2003.

/signed/

_____
ELLEN HILERT
Supply PRC Chair

APPROVE: /signed/
JAMES A. JOHNSON _____
Director, DLMSO

Enclosures

Defense Logistics Management Standards (DLMS)
Supply Process Review Committee (PRC) Meeting
Thursday, 30 January 2003

1. How does SMART ERP handle PICA/SICA relationships or other inter-service relationships (e.g. DMISA)?

2. Will the SMART ERP solution be able to receive and transmit digital data using the non-80 column formats used by DLMS (i.e., ANSI ASC X12 EDI transactions or ANSI-based XML)? Or, is SMART ERP restricted to 80 rp MILS? Does SAP take the old MILs 80 column data and translate it to DLMS then translate it back to MILs, depending upon the customer and user (this is intended to be a DAAS function)?

3. When SAP is fully operational, how will changes to DLMS/MILs be incorporated into SAP? What will be the vehicle, the procedure, etc.? Does SMART have plans to proceed with necessary mapping/coding related to recent MILS changes documents (specifically, Joint Approved MILSTRAP 11 and MILSTRIP 15, which others)?

4. How will SMART handle Supply Condition Codes of "Q" (Quality Deficiency)? Will SMART implement SCC Q as addressed in Approved MILS Changes 10 and 34?

5. How will SMART handle the basic functionality captured in UMMIPS? Bolt-on? How many bolt-ons are there to date with SMART ERP?

6. What business process improvements are being planned for SMART ERP based upon commercial practices which are related to current DLMS/MILS functionality?

7. Is SMART ERP solution planning to support enhanced capabilities reflected in the DLMS for future implementation, e.g., unique item tracking, demand stratification, multiple transportation numbers on shipment status, multiple advice codes on requisitions, etc., etc.?