



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

IN REPLY
REFER TO

DLMSO

July 31, 2003

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Defense Logistics Management System (DLMS) Supply Process Review Committee
(PRC) Meeting 03-2, June 23-24, 2003

The attached minutes of the DLMS Supply PRC Meeting 03-2 are forwarded for your information and appropriate action. The Supply PRC Meeting 03-3 is tentatively scheduled for October 28-30, 2003.

The Defense Logistics Management Standards Office points of contact are Ms. Ellen Hilert, 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: Mary.Jane.Johnson@dla.mil.

For 
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 System (DLMS) Supply Process Review
Committee (PRC) Meeting 03-2, June 23-24, 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) Joint AMCLs 10 (MILSTRAP) & 34 (MILSTRIP), Identification of Product Quality Deficiency Related (PQDR) Materiel. BACKGROUND: These AMCLs provide a standard means for intra- and inter-Component identification and control of potential and/or confirmed product quality deficient materiel. 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 Defense Reutilization and Marketing Service (DRMS). **DISCUSSION:** The SPRC continues to request an implementation date from Components. Prior to the meeting the Components were provided with an updated draft of the AMCL with revisions previously identified to include: (a) the perpetuation of the restrictive resale clause beyond the initial DRMS contract; (b) the requirement for mutilation of Critical Safety Items (CSI) in SSC Q sent to disposal (Disposal Release Order (DRO) Management Code S edit); (c) elimination of the requirement to provide off-line communication to send specific mutilation instructions to DRMS; and, (d) the modification of the SCC Q definition to allow SF 368, Product Quality Deficiency Report, DD Form 1225, Storage Quality Control Report, SF 364, Supply Discrepancy Report, or an authorized electronic equivalent, as supporting documentation. DLMSO expressed concern that the applicable material management regulation policy recently published only covers Aviation CSI and Flight Safety Critical Part (FSCAP) items. When the Federal Logistics Information System (FLIS) was updated to include CSI under the existing FSCAP code definition only, the aviation material was included, leaving what we perceive to be a gap whereby other types of CSI material may not be managed at the appropriate level. **ACTION:** DLA will follow up

on the new Distribution Standard System (DSS) requirements. The DRMS will provide input to the new draft. DLA will provide implementation dates for both DRMS and DSS. The USA and USMC will attempt to clarify their Component's capability to implement under the revised AMCL. The draft reviewed during the meeting will be further updated to note that the Supply Discrepancy Report (SDR) may only be used to report product quality deficiencies by Security Assistance (SA) customers; to delete the parenthetical expression from the definition of MILSTRAP AP2.6 Management Code S for DI Code D6_; to revise reference from SCC Q to SCC J. The DRMS requirement to receive demilitarization instructions specific to a particular DRO will be verified to ensure whether the elimination of off-line communication is valid. Interface requirements between the quality specialist and the Integrated Material Manager will be clarified. The Defense Automatic Addressing System Command (DAASC) will research to determine if the new requirement to validate DROs containing SCC Q against the FLIS to ensure that items identified as Aviation CSI/FSCAP also direct mutilation.

(2) ADC 20A, Revision of Status Code CX; Application of Status Code D7 for Modifier Rejects. BACKGROUND: This revision removes the applicability of the Status Code CX for the AM_ Requisition Modifier. The generic Status Code D7 for invalid data on the AM_ will be applied. **DISCUSSION:** Air Force complained of losing visibility of requisition modifications when using the CX status versus the D7 status because they cannot determine what was changed on the AM_ modifier. DLMSO responded that this concern is valid. Under full DLMS implementation we will be able to provide multiple status codes so that both D7 and CX are passed to the submitter. However, under MILSTRIP it is the standard procedure to use D7 to indicate that a requisition modifier contained errors. The switch to D7 is both correct and will provide relief to the Army since CX rejects may result in a financial loss when the original requisition is unnecessarily reversed due to a programming issue. **ACTION:** DAAS implementation date is July 15, 2003. Components may defer associated automated processing pending logistics systems modernization.

(3) PDC 98, Clarification of Transportation Control Number (TCN) Usage of Modes 9 and X. BACKGROUND: One of the data quality issues identified by the U.S. Transportation Command (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. During the SPRC 03-1 meeting, 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. The proposed DLMS change was forwarded to PRC members on February 4, 2003. Comments/concurrence were requested within 45 days. **DISCUSSION:** The Committee discussed the same issues addressed at the previous SPRC meeting. Committee members reviewed a handout containing Modes 9 and X shipments with blank TCNs. The DLA representative asked DAASC to pull current data for Modes 9 and X with blank TCNs on

DLA shipments for analysis. The USAF identified internal system problems that would occur when shipment status does not provide the TCN. **ACTION:** DLMSO is requesting formal responses from the Army and Navy. Although the original due date for this information has already passed, the action is still pending and Components should respond by August 15. Component should consider what impact blank TCNs will have on their systems and, conversely, what is their capability to ensure that a TCN is provided regardless of the mode? DLMSO suggests that Components also address the suitability of populating the TCN field with the standard TCN construct (document number followed by XXX) when no transportation TCN is assigned. This compromise solution could be implemented on a staggered basis, employing DAAS to fill the field until the Components are able to modify their programs. DAASC will provide requested query results to DLA.

(4) Proposed Defense Logistics Management System (PDC) 99, DAAS Processing Rules for 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 DAAS requisition routing by National Stock Number (NSN) based on the established supply source. This is normal routing procedure for requisitions; however, requisition processing supporting Depot Maintenance Interservice Support Agreements (DMISA) often requires actions based on decisions made by the DMISA Manager. In order to accomplish this, the Air Force proposed to have DAAS pass all requisitions with Project Code 3AD to the routing identifier shown in record positions 4-6. During the SPRC 03-1 meeting, 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 on an A0_, Requisition, to achieve the appropriate passing vice routing. **DISCUSSION:** Prior to the meeting, the Committee was provided with a draft ADC which documented responses to issues raised at the last meeting. The language of the change was greatly clarified and the referral order recommendation was considered unworkable due to programming costs. The USA requested clarification concerning the applicability of multiple project codes. It was agreed that a war support project code would take precedence. DLA asked for clarification of the project code definition which states "...not previously identified in the DMISA." **ACTION:** **Subsequent to the meeting** it was agreed that the words "items not previously identified in the DMISA" would be deleted from the definition and the manual would specify procedures for the unlikely situation where multiple project codes are applicable. DLMSO released an approved DLMS change with an implementation date provided by DAASC.

(5) PDC 100, Addition of Routing Identifier (RI) Code of the Activity Originating the MRO/LRO/DRO to the 2D Symbol on Issue Release/Receipt Document (DD Form 1348-1A) (Supply MILSTRIP) (DRAFT). BACKGROUND: This proposed change requests the addition of the RI code 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. The Navy requires the capability to electronically select the RI code of the activity originating the MRO/LRO/DRO from the Issue Release/Receipt Document (DD Form 1348-1A). This change will enable the Navy to enhance their compliance with the Material Receipt Acknowledgement requirements by assuring that Ashore and Afloat customers will be consistently creating DRAs in a correct format and eliminating manual intervention required to purge accumulating DRF transactions.

DISCUSSION: DLMSO explained that the selection of the appropriate identifier for the 2D symbol had presented some difficulty during staffing of this change with the DLA Automatic Identification Technology (AIT) office and clarification of the values was incorporated in the latest draft. DLA was asked to provide an anticipated implementation date for release of the ADC. **ACTION:** Subsequent to the meeting, a different AIT representative requested that the ANSI MH10 identifiers used for the RI be revised once more. DLMSO will work with the DLA AIT office to ensure that the correct identifier is documented in the change. The ADC will be released as soon as DLA provides the requested date.

(6) PDC 102, Weapon System Data Change DLMS Supplement (DS)

888W. BACKGROUND: This change incorporates the functionality of the DLA weapon system data change transaction formats into the DLMS for the purpose of interfacing between legacy systems and the DLA Business Systems Modernization (BSM) program. The only DLMS enhancement documented in the PDC is the future intention to expand the field length of the Weapon System Designator Code from three to four characters. This will not impact existing three-character codes and will not be implemented until the using Service can accept the expanded length. **DISCUSSION:** DLA provided their concurrence. **ACTION:** DLMSO will issue an approved DLMS change.

(7) PDC 103, Revised Service Code V Use. BACKGROUND:

This change proposes reassigning the use of Service Code V, in record positions (rp) 4, 67, and 74 to the Navy. V is currently assigned to the National Aeronautics & Space Administration (NASA) in rp 4 and is currently unassigned in rp 67 and 74. Rp 4, 67, and 74 designate the start of the RISfield in MILSTRIP and MILSTRAP logistics transactions. **DISCUSSION:** NASA will maintain their current code assignments. These codes will be identified in MILSTRIP and Navy will begin assigning RI codes using Service Code V. **ACTION:** **Subsequent to the meeting** the USAF raised significant concerns regarding the impact of this change on financial systems. Under this change, a V-series RI could be used to identify either a customer or a supply source. The USAF uses the Service Code in the RI to determine the selling organization. The USAF would currently identify the seller as NASA (although we know that NASA is not actually a supply source) and must evaluate the program changes required to correctly identify the seller as Navy should the PDC be approved. The DLMS Finance PRC is researching the feasibility of pursuing the change.

(8) PDC 104, Clarification of Supply Status BK. BACKGROUND:

This change enhances the information provided by DAAS on an AE9, Supply Status, with Status Code BK. Under the revised procedures, DAAS will insert an appropriate brief message in record position (rp) 74-80 (which is currently blank on the AE9). MILSTRIP revisions are identified in bold italics. Supply sources may adopt the message content during their logistics systems modernization. In addition, DAAS will provide visibility of the original (unedited) requisition in the Virtual Logistics Information Processing System. **DISCUSSION:** DLA identified this change as a low priority and recommended conveying breakout status code(s) in the rp 74-80. Such codes were previously envisioned for DLMS implementation only due to the Components inability to make legacy system program changes. These new status codes specifically identify the various conditions currently lumped together under the single BK definition. This technique would act as a better transition to DLMS than using abbreviated narrative messages. **ACTION:** DLMSO will revise the PDC 104 for formal staffing when time permits.

(9) DC 106, United Coast Guard Service Code Assignment.

BACKGROUND: This change proposes contractor-use of ZY_ in record positions 4-5, 67-68, and 74-75 in requisitions and related transactions. **DISCUSSION:** Components agreed that Coast Guard should be able to use this configuration for RI codes. (Information from DAASC after the meeting stated this change impact the DAAS Routing and Translation Rules if the Coast Guard establishes a Material Management Control to direct the Coast Guard Contractor Requisitions using the ZY Service Codes. This action would impact both the DAAS edits and related Requisition processing and the DAAS/DLMS Translator selection of a N101 Qualifier Code during Translation of the DLMS 511 and 869.) **ACTION:** DLMSO will release this as a proposed change.

(10) PDC to Support DRMS (Subsequently Released as PDC 108).

BACKGROUND: The proposed change requires mandatory controlled inventory item code (CIIC) identification under the MILSTRIP AP3.49, Transfers to Defense Reutilization and Marketing Information Office (DRMO) on DD Form 1348-1A or DD Form 1348-2, Issue Release Receipt Document (IRRD). This change is critical to facilitate identification of Cryptographic/cryptologic items being turned in to the DRMO that may be controlled by the National Security Agency. In addition, DRMS would like to change Block 9 of the pre-printed DD Form 1348-1A from "PS" to "CIIC". **DISCUSSION:** The procedures under AMCL 32 were provided to SPRC members as background information. This change required mandatory entry of the CIIC on DD Form 1348-1A for issues from stock. This change also required mandatory identification of the shelf-life code. The Committee discussed the appropriateness of making the instructions for both uses of the IRRD consistent. **ACTION:** DLA will work with DRMS to submit a formal proposal to the SPRC. Subsequent to the meeting PDC 108 was released for Component staffing.

b. DLA Briefing on National Inventory Management Strategy (NIMS). Colonel Dave Rohrer briefed the committee on the DLA NIMS strategy which is intended to extend DLA's consumable item supply chain management from the wholesale level to the point of consumption. The goals of NIMS are; to merge distinct wholesale and retail inventories into a national inventory that can be managed in a more integrated manner; improve customer support by tailoring inventory services to individual Service requirements; reduce redundant inventory and lower overall DOD inventory costs. The objective in fiscal year 20 03 is to implement 1 pilot site per Service. (Refer to briefing charts on the Supply PRC web page at: <http://www.dla.mil/j-6/dlms0/Programs/Committees/Supply/supplyPRC.asp>.)

c. DLMSO Briefing on DODAAD Reengineering. Ms. Ruth Ann Eyanson briefed the DLMSO/DAASC plan to reengineer the Department of Defense Activity Address Directory (DODAAD). The project which will provide for additional data elements not in the current file, new architecture providing for Web update of DODAACs and DAASC automatic update to dispersed local copies will be implemented with the DSS in June of 2004. The reengineering plan will be presented to DODAAC PRC in a meeting July 29-30, 2003.

d. Finance PRC Related Issues

(1) Providing Customer notification of price changes. BACKGROUND: DLA expressed concerns to DLMSO regarding current procedures which permit billing at a

substantially higher price than was anticipated by the customer at the time the requisition was placed. Currently, there is no automated method to communicate the price for a nonstocked item requiring a new procurement action to a customer after the requisition is submitted. Ms. Linda Kimberlin, DLA International Programs Office, provided examples of how this practice is unfair to SA customers to the extent that one SA case had been bankrupted by the unexpected expense associated with such a requisition. DLA recommended that we should allow a customer to determine if, based on the increase in price, a cancellation should be submitted. **DISCUSSION:** The PRC discussed various ways this procedure could be automated, to include the ability of Services to accept a B7 status. **ACTION:** DLA will draft a PDC for evaluation within DLA prior to submission to DLMSO.

(2) Material Returns Program – Procedures for Credit/Follow-Up Under MILSBILLS. BACKGROUND: DLA identified a situation occurring in the BSM processing where customers are sending in followups for credit for customer returns where the system (in this SAP) has no record of the document number. In this situation, the customer would receive no response because there is no appropriate status code applicable to the FT_ transaction. There is logic in the DLA legacy system, Security Assistance Management Manual, to reject these with SB status. However this is a DLA unique action and, the status definition really does not describe the situation accurately. **DISCUSSION:** Once a creditable Material Returns Program status (promise) is provided, further communications should be under MILSBILLS FAE/FAR procedures. MILSBILLS FAR (replies) and associated billing of status codes cover this particular and other “where-is-my-credit” situations. However, when the FTB and FTP processes were transferred from MILSTRIP to MILSBILLS, the extensive system changes which would be required to transition to FAE/FAR processes were not viewed as justifiable. Because the MILSTRIP transactions were retained, it was agreed that we should pursue this change to modify the MILSTRIP transaction status code definition allowing us to avoid the redesigns needed to accomplish a more sweeping change. **ACTION:** DLMSO will draft a PDC to revise MILSTRIP SB Status to reflect additional usage on MILSBILLS FTB, Reply to Followup for Credit Status. Subsequent to the meeting PDC 105 was released.

(3) MSC Requested Interfund Edits. Not discussed. Navy to resolve internally.

(4) AF requested restrictions on specific AF DODAACs. BACKGROUND: There are several types of DODAACs that may not incur any interfund charges. Some are authorized as “ship to” or accountable addresses only, or may only be used as “ship to” during the requisitioning of free issue maps and charts. However, systems that process requisitions do not recognize the limited use of the DODAACs and will process requisitions that will incur interfund charger. **DISCUSSION:** Although this problem will be corrected with the implementation of the Reengineered DODAAD Project, the committee agreed that the change could not wait until the June 2004 implementation date. It was agreed that a PDC would be submitted by the Air Force for staffing. **ACTION:** AF will submit a proposed change for consideration by the SPRC.

e. Requisition Advice Codes for Fill and Kill. BACKGROUND: DLA BSM encountered problems applying the established logic for Advice Codes 2J, 2C, 2T, and associated combination advice codes. **DISCUSSION:** The Committee discussed the use of fill and kill advice does with regard to direct vendor delivery (DVD) items for which a long-

term contract exists. Specifically how these advice codes are treated within the logic of the DLA BSM program. With the increase of DVD items with high demand, it is important to ensure that BSM and other systems react to the Advice Codes as the customer intended. There were some questions regarding using Fill or Kill Advice Codes only for stocked items and not DVDs. **ACTION:** The DLA BSM logic for Fill and Kill Advice Codes will be provided to committee members for comments and impacts. Based on responses, an administrative change to MILSTRIP may be issued.

f. DOD Logistics Asset Support Estimate (LASE) Process. BACKGROUND: DLA advised the SPRC that their BSM system will not be able to accommodate LASE functionality until Release 2, currently scheduled for March 2004. This void recently surfaced when large quantities of DI Codes DTA (Asset Support Request) and DTD (Asset Support Request Follow-Up) transactions were submitted to BSM and BSM was unable to process the transactions and respond. **DISCUSSION:** The discussion centered on the inability of DLA's BSM to accommodate LASE functionality until Release 2. In the interim, DLA discussed their plans to ask DAASC to block DI Codes DTA and DTD for concept demo stock numbers and other NSNs migrating to BSM prior to Release 2. DLA advised SPRC members that there will be no manual workarounds. Further, there is no appropriate reject advice code, or LASE response code, for the purpose of notifying the initiator that the LASE request or followup is not being processed. While no satisfactory solution to address this void is available, two less than desirable alternatives were discussed for the short-term until BSM Phase 2 LASE implementation currently scheduled for March 2004:

(1) DAASC to block the DTA and DTD LASE transactions for BSM concept demo NSNs, with no notification back to the initiator (which will likely result in more followups).

(2) DAASC to block the DTA and DTD LASE transactions for BSM NSNs and send a narrative message reject, which would require manual processing by the Services, indicating that the LASE request or followup cannot be processed in BSM. [NOTE: Dave Brown, DAASC contractor support, expressed his concern that narrative message rejects may not reach the intended recipients. This concern was not limited to this scenario, but cited as a concern across the board for narrative message rejects sent to communication centers.]

ACTION: DLA is to verify that LASE transactions will be accommodated in Release 2 of BSM, scheduled for March 2004. SPRC representatives are requested to identify by July 8, 2003, their preferred interim alternative discussed above for short-term use with BSM Phase 1. **SUBSEQUENT TO THE MEETING:** Army determined that their Logistics Modernization Program (LMP) does not provide for the DOD LASE process functionality in phase 1, which had a July 7, 2003 implementation date. Army indicated a change request to include the LASE functionality in LMP is being created. Once this change request is approved to include estimated date of availability, LMP will disseminate the information.

g. Army LMP Office Briefing. The anticipated briefing to present an overview of the LMP was postponed. The Army LMP Office subsequently agreed to present a briefing at the SPRC 03-3 meeting.

h. Next Meeting. The SPRC 03-3 meeting is scheduled for October 28-30, 2003.

/signed/

ELLEN HILERT
Supply PRC Chair

APPROVE:

/signed/

JAMES A. JOHNSON
Director, DLMSO

Enclosures