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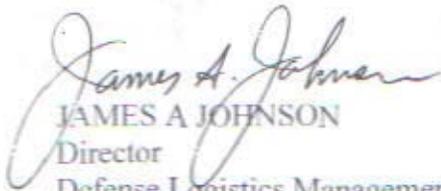DLMSO   March 29, 2005

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Defense Logistics Management System (DLMS) Supply Process Review
             Committee (SPRC) Meeting (05-01) March 16-17, 2005

         The attached minutes of the DLMS Supply PRC Meeting (05-01) are forwarded
for your information and appropriate action. The next meeting will be scheduled at a
later date.

         The Defense Logistics Management Standards Office points of contact are
Ms. Ellen Hilert, 703-767-0676, or email: Ellen.Hilert@dla.mil; Ms. Mary Jane Johnson,
703-767-0677, or email: Mary.Jane.Johnson@dla.mil; and Ms. Aundra Rhone-Jones,
703-767-3630, or email: Aundra.Rhone-Jones@dla.mil.

                                        JAMES A JOHNSON
                                        Director
                                        Defense Logistics Management
                                        Standards Office

Attachment

DISTRIBUTION:
ADUSD(L)SCI
Supply PRC Representatives
Attendees

DLMSO   March 29, 2005

MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management System (DLMS) Supply Process Review
              Committee (PRC) Meeting 05-01, March 16-17, 2005

        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. All
meeting handouts and briefing material are available on the Supply PRC Web page (refer
to the meeting agenda): http://www.dla.mil/j-6/dlmso/Programs/Committees/Supply/
SupplyPRC.asp.

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

        Review of Meeting Topics:

        **a. Material Receipt Acknowledgement (MRA) Procedures – Service
Implementation Problems. BACKGROUND:** MRA Procedures were initially
developed to resolve DOD system deficiencies identified in various DODIG and GAO
reports. In 1996, OSD directed and funded implementation of AMCLs 11 and 15.
Components accepted the funding and implemented on a staggered basis from 1997 into
early 1999. Numerous significant implementation issues were subsequently identified.
Supply PRC members were requested to provide an update status of corrective action.
        (1) Army MRA Quantity Problem: The Army SPRC representative was
unable to provide an update on correcting the MRA quantity problem. **ACTION:** Army
provide current status**.**
        (2) Army MILSTRIP ASH Pseudo Shipment Transaction: The Army
representative indicated that AMCL 15 has been implemented in their Inventory Control
Point (ICP) System. **ACTION:** Additional research will be needed to verify that ASH is
working correctly for FMS.
        (3) Air Force Quantity Problem: Air Force indicated the fix for their
quantity problem was implemented on March 12, 2005.
        (4) Navy issue raised by Global Transportation Network (GTN)
concerning rp 60-62 in Navy generated DRAs: The Navy representative indicated more
examples of the problems are required before additional research can be done.
ACTION: DLMSO will arrange to have GTN provide a larger sampling although the
purpose of examples is not to establish volume, but to identify the initiating system.

(5) Navy Overall MRA Submission Rates: In the past it was determined that submission rates for Navy were very low indicating the changes had not been fully implemented. Navy representative indicated the MRA requirements will be incorporated into their ERP scheduled to be implemented for ICP systems in 2008. The ERP replacement for retail systems is not scheduled until 2011. **ACTION:** Navy will confirm that the MRA process will be covered in the ERP for all retail systems responsible for generating MRAs. In addition, Ms. Debra Bennett, representing OSD asked the Navy to provide a list of systems that had implemented the AMCL 11/15 MRA process, and those that should be generating MRAs but had not implemented.

b. Requisitioning under Performance Based Logistics (PBL): Ms. Debra Bennett, ADUSD(L&MR)SCI, briefed the committee on requisitioning under PBL and the methods used by various Services. **DISCUSSION**: The objective of the discussion was to create an automated solution that will allow requisitions to flow to the appropriate source of supply without creating duplicate NSNs. Mr. Bob Vitko from DLMSO, presented various options all of which would require changes to legacy systems. **ACTION:** Supply PRC members review options presented, determine the best option or propose alternative and provide details on the feasibility of implementation. DLMSO will prepare a letter to all Components with updated options based upon meeting discussion.

c. Standardization of Component/Distribution Standard System (DSS) Interfaces in Support of Issuing from Receiving. Mr. Thomas Hoffer from the Defense Distribution Center (DDC) provided a briefing on the current process between DSS and Army and Air Force systems to issue material directly from the receiving floor. **DISCUSSION:** Mr. Hoffer indicated that the process today requires a direct connect real time interface that allows DSS to send a receipt transaction and receive an issue transaction within a few seconds. There was a question regarding the actual transaction DSS receives when part of the material will be stowed.   The DDC has been approached to develop a new requirement to support Army Enterprise Resource Planning (ERP) Logistics Systems Modernization (LMP). **ACTION:** DDC will identify the transaction that comes from the ICP when part or all of the material will be stowed. In addition, DDC will provide status on the new requirement to support the Army ERP. As part of this discussion there was a question concerning the Army's continued use of MILS in the development of their ERP. **ACTION:** Ms. Smith, ADUSD(L&MR)SCI, requested the Army provide an update on the status of their plan to transition from MILS to DLMS.

d. Update on Radio Frequency Identification (RFID) Implementation: Mr. Bradley Cougher, IBM support to ADUSD(L&MR)SCI, provided an update on the implementation status of RFID**. DISCUSSION:** Mr. Bradley discussed the DLMS transaction usage to carry RFID tag information. For DOD shipments, DAASC will route the transactions between shipping and receiving points. Receiving systems capable of processing a DLMS transaction will receive DLMS and a MILS transaction will be sent to the systems that are not DLMS compliant. Since most systems are not DLMS compliant, DAASC will store RFID data in a database and an interim solution will require "pulling" RFID data from DAASC or "pushing" RFID data from DAASC. Both

of these interim solutions require RFID middleware for those systems that are not DLMS compliant. The 856, Advanced Shipping Notice (ASN), from vendors to DLA depots with UID and RFID information as well as material marked with UID and tagged with RFID information is scheduled to begin in April 2005. Material shipped from Defense Depots Susquehanna and San Joaquin will carry RFID tags, as well as sending the 856S with RFID information beginning in June and July respectively.

      e. DLMS Change Evaluation, Status Review and Issue Resolution. The following specific changes were discussed:

      (1) AMCLs 10 and 34, Identification of Product Quality Deficiency Report (PQDR) Material. This approved change provides a standard means of identifying and controlling potential/confirmed product quality deficiency related material with a staggered implementation beginning July 2004. Supply PRC members were asked to provide implementation status. **DISCUSSION: Air Force:** This change was implemented in Air Force systems in 1998. **Army:** Army has made the change in their legacy system and is expected to be implemented in April 2005. **ACTION:** Determine if AMCLs 10 and 34 are included in the LMP System**. Navy:** Navy will not make changes to legacy system, but will include requirements for AMCL 10 and 34 in their ERP. **Marine Corps:** Marine Corps representative indicated Condition Code Q has been implemented in the wholesale system, but was unsure about the status of other systems. **ACTION:** Provide updated status on implementation in retail systems. **DRMS:** DRMS has implemented the condition code Q requirement, however will not implement the appropriate management codes until their ERP system replaces the legacy system in June 2009. **DLA:** DLA implemented the change in ICP and depot systems. On a related topic, Ms. Vickie Albert presented a draft DLMS Change Proposal to expand the definition for Q discrepancy codes. This change proposal will be finalized and staffed with the Components. Mr. Larry Clark, DOD Product Quality Discrepancy Report (PQDR) Administrator, attended the meeting and indicated the DOD PQDR committee will meet the 1st week in May and will revise the joint instruction to clarify use of Condition Code Q and procedures for communicating recommended disposition with the applicable ICP. Mr. Clark indicated he would email a copy of the draft changes to Ms. Hilert.   DLMSO will publish the approved changes 10 and 34 with a footnote indicating the Components that have implemented and documenting the interim DRMS implementation without the use of management codes.

      (2) AMCLS 12 and 43, Maintaining Accountability during Maintenance Actions. This approved change provides for accurate DOD accountability and financial accounting for items scheduled for maintenance by Depot Maintenance Inter-Service Agreements (DMISAs) and for items undergoing commercial and intra-Service or Agency maintenance actions. **DISCUSSION:** The change, which was approved, but not implemented, is being rewritten to incorporate comments from the Joint Group Materiel Management (JGMM) subgroup for Supply to Inter-Service Depot Maintenance.   A draft with the subgroup comments incorporated was provided to the SPRC for review and information. The revised change will be republished as a Request for Implementation Date (RFID) and forwarded to the Components.

(3) AMCL 9A, Processing Materiel Receipts Not Due-In for GSA Managed Items. This approved change prohibited reporting of receipts from non-procurement sources to GSA unless the storage activity had a pre-positioned materiel receipt in a suspense file. It required DOD Components to establish the means to account and maintain owner visibility of DLA storage activity receipt of materiel not-due-in for GSA managed items. **DISCUSSION:** To date none of the Components have established the requested procedures. In the absence of this information, the DLA depots are recording the assets to the local Base Operating Supply System (BOSS) for use by the depot. If the material can't be used locally it is sent to disposal. This DLA procedure will be documented and the AMCL will be released as AMCL 9A for immediate publication in MILSTRAP/DLMS.

f. WebSDR Implementation. Ms. Hilert briefed the group on the SDR Transformation Initiative which moves Supply Discrepancy Reports (SDRs) into an integrated transactional environment. The benefits include near real time SDR reporting for immediate identification and more speedy resolution of reported discrepancies; facilitates interoperability internal and external to DOD; maximizes the economy, efficiency and effectiveness; future capture of perfect order fulfillment computations. The initial implementation was February 8, 2005. Next steps include expanding interfaces to include Service systems; developing management reports and additional queries; improving access to historical records, coordinating with DLA to improve information flow and incorporating Storage Quality Control Reports. WebSDR Training is available on the DLMSO Web site at: http://www.dla.mil/j-6/dlmso/eApplications/ Training/websdr/WebSDR_Training.ppt .

g. DLMS Changes in Progress. Ms. Hilert and Ms. Johnson reviewed the status of some of the DLMS proposed changes listed on the Supply Status Review, but not specifically identified for discussion on the agenda. **ACTION:** DLMSO will update the status review document as discussed and post to the DLMSO Web site. PDC 44A, Inclusion of Supplemental Information for UIT/SIM in the Two-Dimensional Symbol on the IRRD, and PDC 103, Revised Service Code V Use, and PDC 141, Supply Support Request Information and 846O Supply Support Output Information, will be approved and an RFID will be distributed. DLA will research status of justification requested for PDC 118, Mandatory Identification of CIIC on transfers to DRMO.

h. Proposed DLMSO Change for BSM Supplier Collaboration. This proposed transaction would allow BSM to send and receive data on planned sole source buys and the vendor's ability to meet those requirements for up to 24 planning periods outside of lead time. **DISCUSSION:** Although this transaction only affects DLA at this time, other Services may want to use it when their ERPs are implemented. DLMSO will release the PDC and include authorization for immediate BSM use pending approval.

i. Update on Unique Item Identification (UID) Implementation. Ms. Lydia Dawson from OSD-ATL provided a briefing on the UID initiative as well as a new initiative for paperless Government Furnished Property, now called Property in

Possession of Contractors (PIPC). The vision of the UID initiative is to efficiently and effectively manage people, personal property and real property using a globally unique identification.

j. DLMS Support for UID/RFID Initiatives

(1) Ms. Hilert and Ms. Johnson provided an overview of DLMS changes which incorporate UID and RFID requirements. They explained that on specified transactions, e.g., the 856 Advanced Shipping Notice (ASN), the 856S, Shipment Status and the 527R Receipt will contain expanded UID data. This data includes Unique Item Identifier (UII), UII type, serial number, original part number, new part number, enterprise identifier, manufacturer and batch/lot. The other DLMS UID capable transactions will accommodate UII, serial number, manufacturer and batch/lot. Ms. Hilert also provided examples of how the 856 ASN uses a hierarchical structure to convey information and establish relationships: between the shipment/contract and the individual line items which compose the shipment; between the CLIN and the uniquely identified items associated with the CLIN; between the tagged containers (case or pallet) and the number of items or the UII of uniquely identified items they contain and between tagged containers (cases on a pallet).

(2) Ms. Johnson noted that DLMSO is revising those DLMS transactions with unique item tracking (UIT) capability, to bring the DLMS use of UII in line with the revised understanding of the term under UID policy. In the past, the term UII in DLMS was in effect equivalent to a serial number. However, a serial number does not conform to the UID data structure requirements, and it cannot guarantee uniqueness. Accordingly the revised DLMS transactions will provide for UII and serial number as two distinct data elements.

(3) Ms. Johnson provided the following clarification for UID, UII and UIT:

- **Unique Identification (UID).** In accordance with UID policy (http://www.acq.osd.mil/dpap/UID), unique identification means a set of data marked on items that is globally unique, unambiguous, and robust enough to ensure data information quality throughout life and to support multi-faceted business applications and users. Conceptually UID policy addresses UID uses/implementation, however, the logistics and financial policy for UID implementation is still evolving.

- **Unique Item Identifier (UII).** In DLMS, UII is at the data level. It is the overarching term to cover the data constructs defined by UID policy to uniquely identify an item (UID construct 1, UID Construct 2, and DoD authorized UID equivalents such as Vehicle Identification Number). The UII is guaranteed to be globally unique, whereas legacy serial numbers can take on any structure that the creator desired and were not guaranteed to be unique when used alone.

- **Unique Item Tracking (UIT).** Under DOD 4140.1 -R, DOD Supply Chain Materiel Management Regulation, standard UIT programs shall be

established within the DOD for selected items to maintain visibility of each uniquely identified asset. Examples of DOD UIT programs include Small Arms and Navy Depot Level Repairables. These programs represent but a small subset of UID assets. UID is a much broader concept than UIT. UIT programs would generally fall under the UID subcategory criteria of "serial managed" assets (UIT was formerly called serial number tracking). The bottom line is that not all items subject to UID are subject to UIT; however, all items subject to UIT will be subject to UID requirements in the future. The DLMS transactions will support UIT based upon either the UII or the serial number. Inclusion of the serial number is necessary for legacy tracking systems until such time as the UID concept of item identification is implemented in Component logistics automated information systems (AIS).

ELLEN HILERT_____/s/_____
SDR System Administrator
Supply PRC Chair

APPROVE:
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Enclosure