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MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Defense Logistics Management Systems (DLMS) Supply Process Review
             Committee (SPRC) Meeting (05-02) October 18-20, 2005

      The attached minutes of the DLMS Supply PRC Meeting (05-02) 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,
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                                    JACKIE L. CARTER
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Attachment

ADUSD(L)SCI
Supply PRC Representatives
Attendees

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MEMORANDUM FOR RECORD

SUBJECT: Defense Logistics Management System (DLMS) Supply Process Review
             Committee (PRC) Meeting 05-02, October 18-20, 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/j6/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. Wide Area Workflow (WAWF) and Advance Shipment Notice (ASN)
Implementation. BACKGROUND:** WAWF is a web-based system for electronic
invoicing, receipt and acceptance. WAWF transactions facilitate Unique Identification
(UID) and Radio Frequency Identification (RFID) implementation, provides shipment
status for vendor shipments and replaces some MILSCAP transactions. **DISCUSSION:**
Ms. Beth Altman, DLA J3731 provided a briefing to the group via telephone on the
implementation of WAWF in two of DLA's systems, the Distribution Standard System
(DSS) and the Business Systems Modernization (BSM). The implementation of WAWF
and the DLA systems is divided into three phases; Phase I, implemented in April 2005 at
3 depots provided a WAWF interface with DSS and allowed RFID implementation.
Phase II deploys WAWF functionality for BSM for customer direct vendor deliveries;
increases functionality in DSS to include electronic acceptance signatures, automates
UID data processing and receipt discrepancy reporting to WAWF. Phase III which will
be implemented in FY07 in BSM allows vendor payment using the acceptance
transaction instead of the material receipt. As part of the discussion on BSM customer
direct issues, it was determined that the decision had been made by the DLA financial
and contracting offices, as well with the DLA and DFAS Office of Council, to pay
vendors based on Transporter Proof of Delivery (TDP). This decision was based on a
legal opinion issued by the DLA Office of Council. Ms. Deb Bennett from
OUSD(AT&L) asked for a copy of the letter that provided the legal opinion. Ms. Hilert
agreed to provide the letter. In a related discussion, Ms. Hilert indicated that the Navy

Enterprise Resource Planning (E)RP system is developing a non-standard XML that is not in compliance with the DLMS standard or the OSD guidance. Ms. Bennett indicated she would talk to the OSD office in charge of adherence to the DLMS standard. Ms. Hilert also indicated the PRC should review the transaction exchange for customers receiving direct vendor delivery. The process may be able to be streamlined and changed to allow the vendor to send shipment status rather than the Inventory Control Point (ICP) as is done today.

b. Wide Area Workflow (WAWF) and Property in Possession of Contractors (PIPC) Initiative. BACKGROUND: After January 1, 2006 all solicitations and contracts that include Government Furnished Property (GFP) must comply with the new government PIPC IUID policy requirements. In July 2005, the IUID Registry was capable of receiving IUID data for PIPC and voluntary submission is encouraged. WAWF re-engineered process replaces the annual requirement to submit a DD Form 1662, DOD Property in the Custody of Contractors and captures IUID information. **DISCUSSION:** Mr. James Craig, from the OSD UID Program Office, briefed the group on the new WAWF/PIPC process. The new process is divided into two phases. Phase I will provide the mechanism within WAWF to capture and transmit GFP information utilizing enhanced functionality based upon current structure. Phase II would modify WAWF to implement option three of the Tri-Domain Working Group recommendations which provides for acceptance in WAWF and an interface to update the Service's logistics applications with receipt information after acceptance has occurred in WAWF. Ms. Hilert indicated she was unaware that the Tri-Domain Working Group had approved this recommendation which was not well-received during previous Tri-Domain session. In addition she indicated that WAWF was designing an "all purpose" 856 transaction that was to be used for other than intended purpose which is shipping notification thus deviating from the standard approved DLMS transaction. Ms. Hilert also emphasized that the WAWF Program Office in conjunction with the RFID Program Office should be drafting a Proposed DLMS Change (PDC) to document the new procedure to include the intended non standard use of the 856. The PDC should include recommended changes to the DLMS manual and other manuals as required. **SUBSEQUENT TO THE MEETING,** DLMSO agreed to provide additional support to pull key Service personnel together to help identify the procedural changes.

c. Update on UID Implementation. Ms. Lydia Dawson from OUSD(AT&L) UID Program Office provided an update on status of UID policy as well as the transition of the DD Form 1662, DOD Property in the Custody of Contractors from a paper form to being replaced with the UII and IUID Registry. **DISCUSSION:** Ms. Dawson explained that UID program will manage resources within DOD using globally unique identification of people, personal property (tangible items), real property, organizational entities, sites or locations and programs. Ms. Dawson discussed the transition of the DD Form 1662, DOD Property in the Custody of Contractors from a paper form to utilizing the UII and IUID Registry. All PIPC is required to be in the IUID Registry by Sep 2007. Ms. Dawson also discussed a draft memo aimed at reducing redundant serialization approaches. The memo, currently in coordination proposes IUID as the primary item tracking process. She indicated that the Services are poised to non-concur with the

memo. Ms. Hilert indicated she was concerned that there are current logistic transactions, policies and procedures regarding the movement of material in and out of government and contractor control that may conflict with policy and procedures currently being developed by the UID Program Office. She also indicated that the lack of clear policy from OSD regarding the use of UID in logistics, particularly in the acceptance and discrepancy functional areas, have caused WAWF capabilities to dictate procedures.

            e. Requisitioning under Performance Based Logistics (PBL).
BACKGROUND: Under the initial PBL implementation, duplicate National Stock Numbers (NSNs) were created for common-use items to allow each PBL provider to manage the NSN for their platform(s) and insure that the requisition is routed to the PBL source of supply. NSNs for like items are not linked within the DLIS catalog. The DLMS Supply PRC was tasked by ADUSD(L&MR)SCI, to develop a plan to support requisitioning under PBL for common items. The plan must allow requisitions to be forwarded to the appropriate Source of Supply (SOS) (either DOD or PBL provider) without duplicative cataloging of the item under different NSNs. **DISCUSSION:** DLMSO is proposing the use of the Demand Detail Segment of the 511R requisition transaction which can carry both the Service Code and the Service-designated Weapon System Code (WSC). The WSC will be required when an NSN has multiple weapon system applications or has both weapon system and non-weapon system applications and the intent is to have the requisition routed to a specific PBL provider vs the DOD integrated material manager (IMM). DAASC will maintain a cross reference between Service WSCs and PBL providers either as a separate file or as a subset of their SoS record. This record would be built either through files/records provided via a process established through FLIS established under a newly proposed enhanced FLIS capability. DAASC would then match the WSC in the requisition to the PBL/WSC cross reference and route the requisition to the PBL SoS. Ms. Deb Meyer from DLIS briefed the committee on the changes required to FLIS in order to accommodate multiple SoS for one NSN to include identification of Service, PBL provider, and WSC. **ACTION:** Services are requested to provide by **November 30, 2005** an assessment of the ability to change their legacy systems to be able to incorporate weapons systems identification in their requisitioning process. In an effort to assess commonality between WSCs, Services are also requested to provide a list of WSCs currently in use. DLIS is requested to provide an approximate date when FLIS can be changed to accommodate multiple SoS as discussed in their proposal.

            f. DLMS Jump Start Initiative. Mr. John Schwartz from DLMSO briefed the group on an OSD initiative that would provide an incentive to Services for near-term DLMS implementation. The approach would be to identify a set of DLMS transactions that support DOD BMMP enterprise priorities such as IUID, RFID, and the 850 series of transactions. DOD Components will be asked to identify candidate legacy systems to implement the transactions and OSD would provide initial funding for implementation.

            g. DLMS BRIDGE. Mr. John Schwartz from DLMSO provided a briefing on an initiative to develop a near-term temporary middleware solution to capture and store shipment notice data. The middleware would be placed in front of legacy logistics

systems at receiving locations and the "Bridge" translator used to convert data that would allow new data exchange possibilities such as UID RFID, etc. The DLMS bridge middleware would be centrally developed, deployed and managed by DAASC. The bridge would be removed once a DLMS-compliant logistics system is installed.

h. Component Modernization and COTS Terminology. Ms. Mary Jane Johnson discussed changes in logistics terminology as a result of the adoption of SAP and other software systems that may result in miscommunication and confusion. An example given was the term "direct vendor delivery" which is often referred to as "customer direct" under DLA BSM SAP implementation. Ms. Johnson indicated any changes in terminology that would require changes to manuals and instructions should be documented as a DLMS change.

i. Update on RFID Implementation. Mr. Gene Bransfield from DLA J373 briefed the committee on the current status of the RFID initiative. Mr. Bransfield indicated that the initial focus for passive RFID in on the shipping, receiving and transportation processes. The second phase will be to enable business processes within the logistics node. The two supply transactions currently utilizing RFID data are: the internal DOD Shipment Status 856S which will be sent for each requisition and the 856 Advance Shipment Notice from commercial suppliers. A new transaction, the 856A is being developed that will provide shipment configuration and advance shipping notification for transportation nodes such as ports and transportation theater depots. The 856A will replace the TAV/TAW transaction currently being produced only by Consolidation and Containerization Points (CCPs). In the future all DSS depots as well as CCPs will produce the 856A. The 856A is also being enhanced for a future release to incorporate the CDP/CDF transaction data as used by DSS and GSA to inform the CCP of shipments.

j. 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. Supply PRC members were asked to provide implementation status. **DISCUSSION: Air Force:** This change was implemented in Air Force systems in 1998. **Army:** The change was made in legacy systems and implementation is expected in November 05. The Army's ERP system can accept Condition Code "Q" material, but no special processing is done. **ACTION:** Army and DLA must determine whether DSS could/should implement receiving using condition code "Q" for selected ICPs. Army must also address lack of special processing for Q receipts within ERP system. **Navy:** Navy will not make changes to legacy systems but will include requirements for AMCL 10 and 34 in their ERP now scheduled for 2012. **Marine Corps:** Condition Code "Q" material changes have been implemented in the wholesale system. No status was provided as to implementation in other systems. **ACTION:** Provide status of implementation in other than wholesale systems. **DLA:** The change has been implemented in DSS and SAMMS. **ACTION:** Provide status of BSM implementation. **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. The date when the ERP will be implemented has not been determined. In the interim, all Condition Code "Q" material will be destroyed. **PQDR Regulation Update:** The promised update was still not available at the time of the PRC meeting. **Subsequently,** it was learned that the DOD PQDR committee is scheduled to meet in November to revise the joint instruction to clarify use of Condition Code Q and procedures for communicating recommended disposition with the applicable ICP.

k. DS 824R Reject Transaction. DISCUSSION: The DS 824R Reject transaction was recently expanded (by ADC 179) to incorporate DAASC narrative message reject information in clear text. DLMSO is evaluating the requirement for a complementary PDC to expand the ANSI data element 1270 qualifier EX, Reject Advice Code, to incorporate additional codes which equate to the reasons for the narrative message rejects currently used by DAASC. Expansion of the reject advice codes would allow for conveying the reject information by code rather than clear text. **ACTION:** DAASC agreed to review the current their code list associated with narrative message rejects to check for codes which may no longer be in use and advise DLMSO of the outcome of their review.

l. DLMS Changes in Progress

(1) PDC 186, Processing Army Contractor Furnished Materiel (CFM) MILS Transactions between Government SoS and authorized Army Contractors. This proposed change establishes procedures for processing Army Contractor Furnished Material (CFM) requisitions from Army Contractors which are authorized to utilize DLA as a SoS within Army PBL and associated contracts. **DISCUSSION:** Under this proposal, DAASC will modify edits so that CFM requisitions received from EMALL will not be subject to full Army Materiel Control Activity (MCA) edits (which causes rejects back to the contractor) when proper authorization clauses are included in the contract and a properly assigned CFM DODAAC is assigned by the Army.   This proposed changed, although directly related to Army procedures could be used by all Services to establish mandated controls on CFM requisitions coming to a DOD SoS. As part of this discussion a phone call was made to Debbie Fryar and Kathy Lyons from the EMALL Program Office to discuss how sensitive items are controlled on EMALL. Ms. Fryar indicated there are no sensitive items on EMALL. There are some items that may be considered sensitive for FMS customers. The EMALL catalog is screened by contracting officers.

(2) PDC 110-B Additional AF Requisitions and Interfund Bill Restrictions: This change expands the USAF requested edits approved under ADC 110 and ADC 110-A. This change further revises requisition, turn in of material and hazardous waste to Defense Redistribution and Marketing Service (DRMS) and interfund bill processing to reject transactions which identify a bill-to party reflecting an Air Force DoD Activity Address Code (D0DAAC) not authorized for use as the bill-to-party. **DISCUSSION:** During the meeting there was a discussion which suggested that the DODAACs which were not authorized for use as the bill-to-party were also not

authorized as a requisitioner or, possibly, the ship-to party. **SUBSEQUENT TO THE MEETING:** The ADC was updated to permit use of the selected DoDAACs as ship-to location when another party is the requisitioner and bill-to activity.

   (3) PDC 193 DLMS Unit of Issue and Purchase Unit Conversion Guidelines. This proposed change abolishes current and all future version/release restrictions for ASC X12 unit of measure codes used by DLMS for conversion to DOD unit of issue and purchase unit. This will allow unrestricted use of approved ASC X12 unit of measure codes in higher, more recent ASC X12 version releases (e.g. 005010/005030) and authorizes their usage in lower versions (e.g., 004010/004030). There are currently 17 such codes which are authorized for use in higher versions only. If approved, these and future higher version codes may be used in all version. **SUBSEQUENT TO THE MEETING:** The proposed change was sent out for coordination and comments.

   (4) Current Status of all DLMS Changes in Progress: Ms. Hilert provided an overview of the status of all remaining changes in progress. That status is available on DLMSO web at   http://www.dla.mil/j-6/dlmso/elibrary/changes/processchanges.asp.

ELLEN HILERT_____
SDR System Administrator
Supply PRC Chair

Enclosure