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

IN REPLY
REFER TO  DLMSO

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT:  Defense Logistics Management Systems (DLMS) Supply Process Review
Committee (SPRC) Meeting 07-01, May 16-18, 2007

      The attached minutes of the DLMS Supply PRC Meeting (07-01) 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 e-mail: Ellen.Hilert@dla.mil; Ms. Mary Jane Johnson, 703-767-0677
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DONALD C. PIPP
Director
Defense Logistics Management
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Attachment

DUSD(L&MR)SCI
SDR Committee
Attendees

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VIRGINIA 22060-6221 June 29, 2007

IN REPLY
REFER TO    DLMSO

MEMORANDUM FOR RECORD

SUBJECT:  Defense Logistics Management System (DLMS) Supply Process Review
Committee (PRC) Meeting 07-01, May 16-18, 2007

**Purpose:**  Defense Logistics Management Standards Office (DLMSO) hosted the subject meeting at the DLA 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/supplySDR.asp.

**Brief Summary of Discussion:**  Ms. Ellen Hilert, Supply PRC Chair, and Ms. Mary Jane Johnson, MILSTRAP Administrator, facilitated the discussion.  Ms. Hilert began the meeting providing the attendees with information regarding changes in procedures with regard to new Information Assurance (IA) requirements.  These include no personal names included on DLMS changes; instead there will be the office name and a phone number.  There will be two versions of the Project Code List, one will be provided via an e-mail with a digitized signature and the one posted to the DLMSO Web site.  However, there will be different rules on how this can be viewed depending on if a person is viewing the web from a .mil address versus a .gov address.  For Official Use Only (FOUO) will now be on any documents that list a person's name and phone number.  Ms. Hilert also told the committee that the MILSTRIP Manual has been updated and is in the formal publication cycle.  In the interim, the unpublished version has been posted to the DLMSO Web site manuals page: http://www.dla.mil/j-6/dlmso/elibrary/Manuals/MILSTRIP/Default.asp.

(a)  **Requisitioning Under Performance Based Logistics (PBL)/Cataloging NSN for multiple supply sources.**  This discussion was a Video Tele-Conference (VTC) between the PRC, and the Federal Cataloging Committee (FCC).  **BACKGROUND:**  In 2005, the Total Life Cycle Systems Management (TLCSM) Executive Council identified the need for a systems solution to address the issue of common item support where one NSN is used on more than one platform and requisitions may be satisfied by either the DOD Source of Supply (SOS) or a PBL provider.  In some scenarios, duplicative cataloguing actions came about as a stop-gap measure to establish the PBL provider as the SOS.  This allowed direct routing of the electronic requisition to the PBL provider.  The Supply PRC and the FCC have studied automated solutions that would accommodate cataloging NSNs in association with a PBL SOS.  However, a solution that will allow requisitions to flow to the appropriate SOS with minimal disruption of existing legacy process while eliminating the multiple NSNs assignment of the same item has remained elusive.  **DISCUSSION:**  Mr. Tim Ondracek, DLIS, briefed the SPRC on two alternatives to allow for the management of a single item by both the SOS and a PBL Provider.  The first alternative would allow for multiple SOSs identified in the FLIS.  Customers would order through existing systems and DAASC would route based on specific weapons systems identifier codes in the requisition to the appropriate SOS.  When applicable, requisitions

would need to identify the weapon system in order to route to the appropriate PBL provided. The other alternative would be to assign multiple NSNs to the same item based on the SOS (using the part number and CAGE to distinguish among the multiple cataloging entities). This would allow requisitions to be routed to the correct SOS based on the NSN. This option is preferred by the Joint Strike Fighter Program Management Office (JSFPMO) who was represented at the meeting and strongly believes unique/separate NSNs are required to support their project. A third alternative was suggested during the meeting which would require users to enter the Routing Identifier of the PBL provider in their requisitions when the PBL provider is known (although this would only be a partial solution, since the PBL provider is not always known). All of the options discussed require changes to the FLIS, DAASC, and Components systems, with the option for routing by weapon system requiring extensive modification. Prior to the meeting, Ms. Debra Bennett from OUSD (AT&L) SCI, indicated that the multiple NSN alternative is not a viable solution. **ACTION:** Another meeting to specifically discuss the unique requirements of the JSFPMO will be scheduled to include representatives from the JSFPMO, DLMSO, the FCC, and OUSD (tentatively scheduled for July 19, 2007).

 (b) **Material Receipt Acknowledgement (MRA) Report and MRA Implementation Status. BACKGROUND:** MRA Procedures were initially developed under Joint AMCLs 11 (MILSTRAP) and 15 (MILSTRIP) to provide a DOD automated, closed-loop system to monitor for receipt of shipments of DOD and GSA wholesale stock, which are issued from on-hand assets or procured for direct vendor delivery. MILSTRAP also requires that Components establish a management evaluation program which monitors and evaluates MRA requirements. In order to assist in this evaluation, an MRA Management Information Report was developed by DAASC using SPRC guidelines. The report is to be provided via electronic means to members of the SPRC. It will be the responsibility of each member of the SPRC to analyze the report to identify potential deficiencies in their Component operations or procedures contributing to breakdowns in internal controls for intransit wholesale stock**. DISCUSSION:** Ms. Mary Jane Johnson told the group that SPRC discussion of the MRA Report and Component MRA implementation status has been tabled for the past few years and her intent was to provide the group with an overview of the report as well as have the Components provide the latest implementation status.

 (1) **MRA Report**. DLMSO has reinvigorated review of the draft MRA report with a goal towards identifying any needed changes and/or improvements, and finalizing the report for SPRC use. Mr. Bob Vitko and Ms. Brenda Meadows, DLMSO, have taken on this tasking and they provided the group with an overview of the report which included a preliminary analysis of some of the potential problems and recommendations. Mr Vitko indicated they would be in touch with the SPRC representatives as the report review continues and questions surface. Ms. Johnson advised that if any SPRC representative would like access to the report during this review time, to please advise; otherwise they can wait until the DLMSO review/recommendations are complete and review at that time. **ACTION:** Mr. Vitko and Ms. Meadows will do an in-depth review of the report and prepare recommendations for the SPRC consideration

 (2) **Component MRA Implementation Issues.** Open implementation issues were discussed as follows: **Army MRA Quantity Problem**. Army programmed their Standard Army Retail Supply System (SARSS) to cite the quantity received rather than the missing quantity in the DI Code DRA/DRB when less than the shipped quantity is received. This approach conflicted with approved procedures. Mr. Ron Surber indicated that SARSS was

changed in 2002 to correct this problem, thereby closing this issue.  **Army MILSTRIP ASH Pseudo Shipment Transaction.**  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.  The Army reported at the SPRC meeting 05-01 that AMCL 15 had been implemented, however, additional research was requested to verify that ASH is working correctly for Foreign Military Sales (FMS**).  ACTION:**  DAASC confirm that the Army ICP system is sending ASHs to ILCOs.  **Air Force MRA Quantity Problem**.  Air Force initially programmed their system to report MRA (DI Code DRA/DRB) showing a discrepancy indicator code F, indicating a quantity missing for materiel that has in fact not yet been shipped.  The Air Force SPRC representative indicated at a previous meeting that this was corrected in March 2005, thereby closing this issue.  **Navy Overall MRA Submission Rates.**  In the past, it was determined that the Navy's overall MRA submission rate was very low, indicating that MRA procedures had not been fully implemented.  Navy stated several years ago that because legacy systems were being replaced by ERPs, Navy would not apply resources to change legacy systems to fully implement.  Rather, implementation would be accomplished through the ERPs.  **PREVIOUS ACTION (SPRC meeting 05-1).**  Navy was asked to confirm that the MRA process will be covered in the ERP for all retail systems responsible for generating MRAs.  In addition DUSD(L&MR)SCI requested that the Navy provide a list of legacy systems that had implemented the MRA process as well as those that should be generating MRAs, but do not.  This list has not been provided.  **ACTION:**  Navy provide a list of legacy systems that have implemented the MRA process as well as those that should be generating MRAs, but do not.  Request information be provided to DLMSO no later than **July 31, 2007**.

(c)   **EMALL Overview.**  Ms. Sheila Rayburn,  DLIS, representing the EMALL Program Office, provided an overview of the program. Ms. Rayburn indicated that  EMALL is a full service eCommerce site which strives to be the single entry point for purchasers to find and acquire off-the-shelf finished goods and services from the commercial marketplace and government sources (DLA and GSA).   The system is fully integrated in the DLA Enterprise Business System (EBS), providing order status and supportability analysis on all orders placed with DLA.  **DISCUSSION:**  Ms. Rayburn indicated that there is no commitment of funds through EMALL, however, they expect to develop a Funds Control Module in the 3$^{rd}$ quarter of FY 07 that will provide an interface with the Army financial systems.   (A proposed DLMS change is currently under development to support this process change.)  In addition, Ms. Rayburn discussed an FMS pilot through the Defense Security Cooperation Agency (DSCA) portal which is an initiative that will be done in FY 07.  Ms. Hilert indicated she would like to know more of the specifics of the pilot and would like it coordinated with the Services.  She also emphasized that all changes to EMALL that affect the DLMS processes should be coordinated through DLMSO and the SPRC.  **ACTION:**  DOD EMALL provide to DLMSO specifics of the FMS pilot.  **ACTION:** DAASC and DoD EMALL team will work together to review DAASC reject notices associated with EMALL requisitions to determine if systemic corrective action can be taken.

(d)   **Report on DLA/Army Monthly Issue Resolution Meeting.  BACKGROUND:**  Mr. John Ampela, DLA J-335, briefed the committee on the high level Senior Executive monthly meetings between DLA and the Army regarding interface issues between the EBS and the Army's Logistics Modernization Program (LMP).  These meetings began in December 2006 and include many topics which have applicability to all of the Services**.  DISCUSSION:**  Mr. Ampela and Ms. Susan

Fox, DLA J-83, reviewed the issues from last month's meeting (refer to briefing slides; not all issues identifed below).

(1) **Supply-related Issues.** A current priority issue is the further implementation of the lateral redistribution under the total asset visibility (TAV) concept, which requires three changes to EBS before further implementation with the Army and the other Services. Another issue being addressed is over/under shipments without appropriate status, which may cause follow-on transactions to reject, creates bills that don't match obligations, and unnecessary followups. Headquarters DLA is reviewing procedures from a policy standpoint, as well as making some changes in the Distribution Standard System (DSS). Ms. Hilert said that all Services could be experiencing some of the same problems reported by the Army. In a related discussion, Mr. Bob Vitko indicated that he would like to see the reason for DAASC rejects when there is no specific reject code, but rather a message indicating that the transactions has been rejected. He suggested that DAASC develop a link on VLIPS that would allow the reject message to be displayed. **ACTION:** DAASC determine if able to provide a link on VLIPS to allow the reject message to be displayed and provide current list of reject messages. The Components should review current status codes discussed to ensure that both their modernization systems and legacy systems are utilizing them properly.

(2) **Pricing**. Ms. Fox discussed issues related to DLA notifying customers when significant changes in item pricing occur. DLA established a Pricing IPT in December 2006 to review pricing disconnects between the Federal Logistics Information System (FLIS) and EBS; determine pricing discrepancy root causes, and look at short and long-term opportunities for improvement. The biggest disconnect appears to be associated with the current DOD policy regarding the effective date of FLIS price changes. Although the DOD Financial Management Regulation allows for out-of-cycle price changes for things like first time buys, price challenges, etc., the effective date policy causes item prices to be different in EBS and FLIS for approximately 48 to 78 days depending on the price change. The IPT has taken action to update the EBS job aids to better explain when price updates should be made immediately and when they can be aligned with the FLIS price update; what the rule is for effective dating when an out-of-cycle price changes occur, and when price updates can't be executed by FLIS, for example during brown-out periods. In addition, some pricing disconnects occurred during conversion to EBS and have now been corrected. J-8 is working toward providing an estimated price in FLIS for Acquisition Advice Code (AAC) L if the item has been active within the last two years. Planned action for the IPT include; looking at active items and developing better estimated price; loading SAP standard price in SAP; determining if FLIS can upload new AAC L estimates in the standard price; notifying customers that AAC L item prices are estimates and develop a System Change Request to provide some automation of the process in FY 08

(e) **New Procedures for Cancellation of Existing Order Containing a Deleted DODAAC**. Mr. John Ampela, DLA J-335, presented a talking paper to assess SPRC support for establishment of this edit. Mr. Ampela explained that currently, according to MILSTRIP procedures, when an activity has a cancelled DODAAC, all requisitions for that activity are canceled using status code "BQ" (cancelled based on deleted DODAAC). However, MILSTRIP does not specify that requisitions with cancelled Ship-To/Bill-To DODAACs should also be cancelled. **DISCUSSION:** Mr. Ampela is considering a DLMS proposed change for a new process that would trigger cancellation of requisitions for deleted DODAACs using either status code CX (invalid ship to, bill to) or status code BQ. Ms. B.J. Sprint, Marine Corps, expressed concern because in many cases when a DODAAC is cancelled, it is because the activity that ordered the material has been relocated and another activity will be deployed to that same area and will need the material. This same situation applies to the Army

and Air Force.  Mr. Ampela countered that MILSTRIP procedures call for these requisitions to be modified to carry the replacement DODAAC if the material is still needed.  During the discussion, Mr. Ampela indicated he was working on the design for mass cancellation processing in EBS.  Ms. Hilert encouraged use of DLMS enhancements that could establish improved functionality for this process.  **ACTION:**  Mr. Ampela will submit a PDC based upon his talking paper and SPRC recommendations.

(f)  **New DAASC Edit on Ship-To and Bill-To Defense Activity Address Code (DODAAC) in the Material Release Order.  BACKGROUND:**  Mr. John Ampela provided a second talking paper to extend current DAASC edits that are applied to inbound AO_, AM_, and AT_ transactions to the material release order as well.  Currently DAASC rejects the transactions using a CX (Activity identified in the requisition is not authorized as a requisitioning or bill-to activity) reject status code. The proposal would also reject the MRO (MILSTRIP A5_) using the same status code.  **DISCUSSION:**  There was some discussion regarding the viability of this proposal.  Mr. Ampela will take comments provided by the SPRC under advisement.

(g)  **Procedures for Monitoring for Requisition Priority Abuse:  BACKGROUND:**  OSD has directed DAASC to validate the Force Activity Designator (F/AD) I usage through the requisitioning process.  DAASC maintains an edit table which lists all activities authorized to use F/AD I which is provided by the Joint Chiefs of Staff (JCS).  DAASC will edit PD 01, 04 and 11 requisitions to ensure that F/AD I requisitions identify an authorized activity in the document number or supplemental address field.  Priority Designator (PD) 01 requisitions that fail this edit will be identified by DAASC as suspected abuse and subsequent investigation without interruption of normal requisition processing.  PD 04 and 11 requisitions that fail this edit will be downgraded.  Those requisitions identified as suspected abuses as well as those downgraded by DAASC will be written to the Unauthorized Priority Designator Assignment Report. **DISCUSSION:**  Ms. Debra Bennett, OSD, indicated that abusing the priority system is a readiness issue and impacts transportation costs.  She also said that it was time for another meeting with all the Services to emphasize the importance of following proper procedures when assigning priorities to requisitions.  Ms. Hilert said that it is the responsibility of each Service PRC member or their designated representative to monitor the DAAS report for abuse and take corrective action.  There was a discussion on how the downgrade rules could be implemented in EMALL.  One suggestion was to use a pop-up screen to alert customers that they must be authorized for a F/AD I when PD 01, 04, or 11 are selected.  Mr. Chuck Garvey, GSA, reported that the GSA internet ordering process does not have access to an authorized F/AD I list.  The current process to identify and confirm the activities is manual, time consuming, and not always effective due to lack of response.  GSA would like access to the list of DOD DODAAC that are authorized to use F/AD I.  **ACTION:**  Mr. Garvey will prepare a PDC to apply downgrade and monitoring business rules to GSA internet ordering.  SPRC members are to ensure that a responsible person is designated to monitor DAAS reports.  DLMSO will take action to re-activate the DLMS change proposal currently on hold which would support identification of the authorized F/AD I activity for requisitioning under DLMS.

(h)  **Army Off-Line Requisitioning IPT.**  The Army IPT lead was unable to attend this meeting and no update was provided.  Refer to previous SPRC meeting minutes, dated December 21, 2006, and PDC 266, Off Line Requisition Processing for Funds Availability Checks, below.

(i)  **DLMS Changes.**  Discussion included a number of DLMS changes recently approved, in staffing, or under development.

**(1) ADC 228, New Status Code for Free Issue Post-Post Orders.**
**BACKGROUND:** Standard requisitions submitted to DLA for free issue (identified by Signal Code D or M) are validated to ensure that the customer is authorized. However, requisitions processed on a post-post basis bypass the standard edits. This may result in material being shipped as free issue where reimbursement should have been provided. The recently approved change supports validation of post-post non-reimbursable requisitions and establishes appropriate procedures when such requisitions fail to pass validation criteria. Since the validation is subsequent to shipment in a post-post scenario, the new process is required to notify the customer that the free issue will not be honored and that appropriate billing will follow. **DISCUSSION:** Requisitions which fail free issue validation subsequent to material release (post-post requisitions/issue) may be handled as funded requirements. In this case, the source of supply will furnish a new status code DT (Free issue denied; either the complete or partial quantity of a post-post requirement is not authorized for free issue fund code and/or signal code corrected as noted). This will alert eligible status recipients that the post-post requirement is not authorized for free issue and to adjust fund obligation records as material will be billed to the requisitioner. **ACTION:** EBS will implement this change in September 2007. Component modernization systems should ensure that they are able to recognize this new status code. Where legacy systems are unable to adopt the new code, DAAS VLIPS may be used to check status.

**(2) PDC 255, IUID and RFID in Shipment Status Material Returns.**
**BACKGROUND:** This proposed change updates the DLMS Supplement 856R, Shipment Status Material Returns, to carry IUID information and passive RFID tag information. The PDC is a planning tool for establishing techniques for accommodating IUID and RFID tag data within transactional exchanges under the DLMS to support business process improvements. This change also establishes authorized implementation guidance for DLMS enhancements such as transportation numbers and carrier identification. **DISCUSSION:** Ms. Hilert explained that the 856R was migrated to the higher version to remain consistent with the X12 4030 DLMS Shipment Status 856S, which also carries passive RFID and is intended to support IUID. The existing implemented 4010 version will continue to be supported until Components migrate to the higher level. **ACTION:** Component responses to the PDC are to be provided.

**(3) PDC 265, DLMS Material Release Confirmation: Secondary Transportation Number, Carrier Identification and Port of Embarkation (POE).**
**BACKGROUND:** This change provides guidance for implementation of multiple enhancements to the DLMS Supplement 945A, Material Release Advise, for use as a Material Release Confirmation. The change specifically requests implementation of an enhancement identified during the development of the DLMS for a secondary transportation number, such as the small package carrier number, and carrier identification when other than United States Postal Service, by Standard Carrier Alpha Code (SCAC). It also provides clarification on how DLMS handles identification of the Port of Embarkation (POE) (for air or water) or the Consolidation and Containerization Point (CCP) which are mapped to the same record positions in the MILS and may not be identifiable by code characteristics. Implementation of this change will permit the Inventory Control Point (ICP)/Source of Supply (SoS) to provide the enhanced data content when responding to customer requests for status. **DISCUSSION:** Ms. Hilert explained that this change complements the previously approved ADC 223, which established similar data requirements for the 856S. She asked Components if ICPs would need access to the full carrier address or if the SCAC/name will be sufficient. **ACTION:** Components provide comments to the proposed change.

**(4) Draft PDC 266, Off Line Requisition Processing for Funds Availability Checks (Finance/Supply). BACKGROUND:** PDC 266 is under development to address the lack of a funds availability edit identified by Army audit as the impetus for the Off-Line Requisitioning IPT. Off-line requisition systems have been established by DLA and GSA to allow customer requisitioning capabilities using the latest technology. These systems did not include necessary interfaces with the requisitioning Service. The lack of such an interface with the Army's standard supply and finance systems caused problems including bills arriving without prior obligations; lack of supply accountability since there were no due-ins built into the Standard Army Retail Supply System (SARSS); not recording demands to assist in determining proper stockage levels and building future budgets; and a lack of control over authorized users. This change requests an interface be established between the various offline systems and the Army Funds Control Module (FCM) so that fund availability can be checked before processing the requisition. **DISCUSSION:** This proposed change will be applicable to MILSTRIP requisitions billed through MILSBILLS. The change requires an interface with the Army's FCM while the Army customer is using the DLA or GSA offline systems to create the requisition. The funds availability check will be a two-way interface via web call. The amount of data transmitted should be kept to a minimum for nearly instantaneous response. Processing of the requisition will occur only after FCM has determined that funding is available. The goal is to establish the new format as a standard for DLMS use by other Components in such a way that it will comply with Standard Financial Information Structure (SFIS) guidance to the degree possible at this time. **ACTION:** DLMSO is awaiting Army response to questions on transaction data content. Subsequent to the meeting, Ms. Hilert also requested support from the Business Transformation Agency (BTA) in determining the SFIS requirements.

**(5) ADC 242, Shipment Status (DS 856S); Priority Designator (PD), Transportation Priority (TP), Project Code, Special Requirements Code. BACKGROUND:** This change establishes a requirement to provide additional data elements in the DLMS 856S, Shipment Status, when applicable and available. The following data elements are to be perpetuated from the requisition by the SoS/ICP, or from the material release order by DSS: Project Code; Special Requirements Code (MILS RDD coded entries, e.g. 999, N for Not Mission Capable, etc.), and PD. In addition, the TP is to be determined and included on the status transaction. **DISCUSSION:** Ms. Hilert indicated that although this change originated with a requirement to support the Material Processing Center, which is a DLA depot operation to support the Navy, it will apply across the board not just for the Navy and DSS. She emphasized that as Components migrate their systems to DLMS they should plan to accommodate this enhancement and others as discussed above. DSS implemented this change in May 2007. DAASC will update Visual Logistics Information Processing System (VLIPS) to accommodate the new data elements, but not in the immediate future. **ACTION:** The Marine Corps representative indicated that some raw data is currently downloaded from DAASC which may require some changes to this procedure when VLIPS is modified. DAASC agreed to provide DLMSO with the changes so they could be coordinated with the Components.

**(6) Draft PDC 98A, Clarification of Transportation Control Number (TCN) Usage (Supply/Transportation). BACKGROUND:** This draft proposed change provides clarification to the entry instructions for the TCN field and proposes a future edit at DAAS on the shipment status transaction TCN. TCN usage would be optional for mode X (Bearer, walk-thru) and required under MILSTRIP/DLMS Shipment Status including Shipment Status Material Returns, for all modes. The MILS-based edit would only notify submitting activities when TCNs are improperly constructed or not provided where required, but would not impact transaction processing. However, a DLMS-originated shipment status (856S) would be

rejected or, if feasible, suspended if the TCN is not provided.  **DISCUSSION:**  Ms. Hilert explained that this change is still under consideration and would not be finalized until further discussions with OSD Transportation Policy and USTRANSCOM.

(7)  **PDC 264, Revise DLMS Supplement (DS) 867I and MILSTRAP Issue Transactions to Support Navy Requirements for Reason for Reversal Code (Supply). BACKGROUND:**  This proposed change will revise DLMS 867I Issue transaction to add a "Reason for Reversal Code" in support of an existing Navy requirement for an issue reversal code.  This change will add the Reason for Reversal code to DLMS with new codes S, B and R for the Navy and will be implemented by DSS and the Navy.  Two positions will be provided under DLMS and one position authorized for DLSS**.  DISCUSSION:**  Ms. Johnson is concerned that the use of the issue reversal code R when a customer returns a discrepant item may circumvent the intent of the Supply Discrepancy Report (SDR) process.  **SUBSEQUENT TO THE MEETING,** Ms. Johnson contacted the DLA Supply PRC representative to request specific procedures as to how the issue reversal process works with the SDR process.  Mr. George Gray, DLA J-37, indicated he is working with the Navy and the Defense Distribution Center (DDC) to provide the procedures.

(8)  **PDC 246, Revise DLMS Supplement 527R to Authorize Use of Transportation Control Number (TCN) with Materiel Receipt Acknowledgment (MRA) and Receipt.  BACKGROUND.**  This proposed change revises DS 527R, and corresponding DLMS XML constructs, to authorize use of the TCN in the MRA transaction and in the receipt transaction. USAF identified requirement for inclusion of TCN in the MRA to support their Commercial Asset Visibility (CAV) process.  DLMSO expanded the requirement for TCN beyond CAV to address a known void for providing/considering TCN partial and split shipment code information in the MRA and retail receipt process**.  DISCUSSION**.  Ms. Johnson indicated that the need for TCN to identify partial and split shipment information in the MRA and retail receipt transactions was identified and discussed in a series of SPRC Meetings, but was never resolved.  This change supports resolution of the problem by providing the TCN in the DLMS 527R MRA and receipt.  The variable length DLMS transaction allows inclusion of data that was not possible under the 80 record position constraint of the MILSTRAP DI Codes DRA/DRB, D6_.  One of the reasons behind this change is the increased use of partial shipments in the Distribution Standard System (DSS) which may result in considerable DOD processing problems if receipt and MRA systems/procedures are not considering the TCN partial code. As multiple AS_ transactions are received with the same document number/suffix, but different TCNs due to partial shipments, when the first shipment processes, lack of due-in for subsequent shipments may result in associated Supply Discrepancy Reports.  Currently, RP 7 of DI Codes DRA/DRB (MRA) provides for Service use as follows:  "For U.S. forces shipments, enter data prescribed by the Service or Agency (e.g. code for controlling receipt of partial or split quantities)", however there is no definitive guidance for MRA reporting based on partial/split shipment coding in the TCN.  Ms. Johnson asked the Services to identify what information is in RP7 of DRA/DRB transactions they generate.  During this discussion it was noted that the partial code had been added to the 2D barcode on the Issue Release/Receipt Document (IRRD) (DD Form 1348-1A) by ADC 44.   Discussion of this topic took several paths to address related areas/impacts that should be looked at, however the group agreed with the PDC requirement for adding the TCN to the DLMS 527R to facilitate addressing known deficiencies.  **ACTION:  Services** provide documentation of what information is in RP7 of their DRA/DRB transactions.   **DLA** provide status of the implementation of the partial code in the 2D barcode.

**[a]  Logistics Metrics Analysis Reporting System (LMARS) and DAAS Logistics On-Line Tracking System (LOTS).**  Prior to the meeting DAASC provided comments to the PDC which indicated that in addition to potential changes required in the DAASC Web Visual Logistics Information Processing System (WebVLIPS) and MRA Reports (such as displaying multiple MRAs for partial/split shipments based on the TCN entry),  LMARS and LOTS rules would have to be adjusted.  This represents a significant change for DAASC.  DAASC indicated a determination would need to be made as to when LMARS would close the pipeline.  Additionally DAASC indicated LOTS database tables and parsing rules would have to be adjusted.  The DLMSO Director asked who would address the LMARS impact.   The DUSD(L&MR)SCI representative agreed it would be a DUSD(L&MR)SCI and/or DAASC initiative to address LMARS impact.  **ACTION.** LMARS impact of processing MRAs for partial/split shipments by including the TCN under DLMS should be addressed through DUSD(L&MR)SCI/DAASC channels.

**[b]  DAASC Routing/Editing of DLMS Transactions.**  During discussion of DAASC comments, DAASC noted that their routing rules and many value added processes in DAAS are based on the MILS format, accordingly DLMS transactions are converted to MILS to go through the DAASC Micro Automated Routing System (DMARS).  DAASC is looking into other ways to route transactions so that converting to MILS will not be necessary.  The DUSD(L&MR)SCI representative asked if there was a time line for converting to a new process for routing, but that information was not available.  **ACTION.**  DAASC provide status and timeline for implementation of a new routing process that will not require conversion of DLMS transactions to MILS.

**[c]  Possible Financial Impact of Partial Shipments.**  Discussion of partial shipments included concern that the increase in partial shipments from DSS may be causing a problem in the financial area.  Since DSS confirms shipments based on partial codes and DLA EBS bills based on these partial confirmations, the possibility of duplicate billing was raised.  A Finance PRC representative in attendance recommended that this issue be discussed at the next Finance PRC meeting.  DLMSO has also suggested that this topic be addressed during the DLA/Army monthly meetings (paragraph d. above).  **ACTION.**  DLMSO will include the possibility of duplicate billing related to partial shipments on the next Finance PRC agenda.

**(9) ADC 239, DLMS Unit of Material Measure (Unit of Issue/Purchase Unit).  BACKGROUND:**  This change updates DLMS Unit of Material Measure Conversion Guide to add Units of Measure values that are valid under American Standards Committee (ASC) X12 transactions with their corresponding DOD Unit of Measure values. **DISCUSSION:**  Ms. Hilert explained that the DLMS requires that specified DOD data values established in DOD systems must be converted to the corresponding ANSI ASC X12 code values for transmission under the DLMS. The Unit of Material Measure (Unit of Issue/Purchase Unit) Conversion Guide is one of three conversion guides used to support DLMS transaction processing.  The purpose of the conversion is to allow DOD systems to continue using DOD codes internally and convert these to X12 codes during transmission only in order to assess compliancy edits.  Valid X12 codes must be valid at the version/release in which the transaction is processed (pending adoption of more flexible business rules within the X12 community).  When DOD codes are identified as missing or new, the equivalent X12 code must be identified and added to the conversion table.  The equivalent X12 code may be equal to or similar to the DOD code value.  Where no equivalent X12 code is available at the appropriate version a substitute code may be assigned for temporary use.

**(j) Jump Start Update.** Mr. John Schwarz, DLMSO, provided a briefing on the DLMSO "Jump Start" initiative. This initiative, sponsored by the OSD Business Transformation Office (BTA), provides funding incentives to encourage DLMS migration by Service legacy systems. The Jump Start Program provides for a phased, coordinated implementation of current and future high priority transaction such as those that require Radio Frequency Identification (RFID) and Item Unique Identification (IUID). Funding was provided in 2007 for the following systems:

Integrated Logistics System-Supply (ILS-S) – Air Force
Naval Tactical Command Support System/RSupply (NTCSS/Relational Supply)
Marine Corps Information System Transaction Router (MAISTER) – USMC Stores Accounting
Mechanization of Warehousing and Shipping Procedures (MOWASP) – USMC
Global Air Transportation System, Water Port System (GATES/WPS) – TRANSCOM
Financial and Air Clearance Transportation System (FACTS) - Navy

It is planned that a data call for 2008 funding will be sent to the Services in July 2007.

**(k) DLMS Training.** Mr. Nat Obey and Mr. Dale Yeakel provided an abbreviated training session on DLMS with a focus on reading DLMS Supplements.

**(l) DLMS XML Status Update.** Mr. Tommy Lyons, DLMSO, presented a briefing on DLMS XML. Mr. Lyons told the group that the DLMS EDI based XML that is currently in use is ASC X12 EDI-based XML and is not an ASC X12 approved variant, but is actually Guideline XML (gXML) v2.0 based on ASC X12 EDI transactions. DLMSO is maintaining these EDI based XML schemas as well as playing a stronger leadership rule within in the ASC X12, UN/CEFACT, and OASIS standards bodies. This role will harmonize differences and document a standard approach across DOD logistics, identify commonalities between XML variants and standards and work to get standards approved through the standards bodies. Mr. Lyons indicated that DLMSO will develop a CCT-based XML based on UN/CEFACT technical specifications. Mr. Lyons emphasized that the only XML currently available for systems implementing in the short term is the DLMS EDI-based XML. **DISCUSSION:** A question was asked concerning the advantage of using X12 EDI transactions versus X12 EDI-based XML transactions and Mr. Lyons indicated that a business case analysis would have to be done in order to determine which should be used. Ms. Hilert indicated if the DLMS X12 EDI based XML has been used, but that the DLMS notes on the EDI transactions must be understood and applied in order for the XML to be implemented correctly.

**(m) SPRC Meeting 06-2.** Available responses to action items from the last SPRC meeting are provided below. **ACTION:** All Components were asked to review remaining open action items and provide status to DLMSO.

**(1) Use of Suffix Code X on Requisitions/TCN (06-2 paragraph (d)).** **ACTION: DLA** proposed a clarifying note to USTRANSCOM for update to the DTR. **DLMSO** included a clarifying note in the soon to be reissued MILSTRIP manual.

**(2) Proposal to Delegate to Dispose Authority for NIIN Status Codes 4 and 8 at Time of Receipt by the Distribution Depot (06-2 paragraph (h) (1)).** **ACTION:** What is the automated system response to reports of excess for NIIN status code 4 and 8? There are two parts to the

question.    [a] The NIIN cancellation is completed and the item has been removed from FLIS, or [b] The NIIN is marked for deletion however, cancellation action is not complete.

[a]  If the NIIN has been cancelled and is no longer in FLIS the Customer Asset Report (FTE) is rejected at DAASC when the validation check is done.  In this case the FTE never reaches SMS for evaluation.  A FTQ transaction is sent back to the customer from DAASC providing informative status of the cancelled NIIN.

[b]  If the NIN is marked for deletion but the cancellation action has not been completed the FTE passes through DAASC to SMS for evaluation.  SMS sends a Reply to Customer Asset Report (FTR) back to the customer with a TC status on the entire quantity offered on the FTE.  Basically this tells the customer we don't want the material, but doesn't clarify we don't want it because the item is scheduled for deletion.  In many cases a customer will wait for a period of time and then resubmit the FTE in hopes they will receive an acceptance of their excess offer.  Unless the cancellation process is complete prior to the subsequent FTE submissions the cycle could continue with the customer never understanding the item had been cancelled.

[c]  **FOLLOW-ON ACTION:**  DLMSO will review for possible proposal of an additional T series status code for AP2.16 based upon DLA finding above.

(3)  **Proposed DLMS/MILSTRIP Change for Price Notification (06-2, paragraph (h) (2)).**  This Marine Corps proposed change would establish a new Advice Code which would enable customers to request the SOS identify the actual cost and permit the customer a choice on whether to proceed prior to contract award.  The PDC has been held pending Pricing IPT determination.  **ACTION:**  DLA was asked to provide procedures currently in place for communicating to customers significant changes in pricing and provide any planned changes.  Refer to 1.(d) (2) above.  In addition, IPT did find some areas that could reduce the number of price disconnects and customer pricing issues, such as:

[a]  Updating the pricing job aids:  to better explain when price updates should be made immediately or when they can be aligned with the FLIS price update; the rule for effective dating when an out-of-cycle price occurs (e.g., cannot be 10/01); and when the price updates cannot be executed by FLIS (e.g., during brown out periods).

[b]  Some pricing disconnects occurred during conversion to BSM which has since been corrected….should be a one time anomaly.

Within BSM, only AAC L items are priced at acquisition cost plus surcharge for FLIS catalogued items.  The Pricing IPT reviewed the volume of AAC L items and determined that only about 3,000  per month (1/2 being medical items) occur.  System changes to improve a problem for a relatively small amount of orders is of lower priority for DLA at this time.  In order to alert the customer and meet the intent

of the Marine Corps request (stop an order from processing until the Marine Corps understands the price that will be charged and obtain MC approval before the order is released), J-8 has zeroed out all AAC L prices in FLIS. J8 is working toward providing estimated prices in FLIS if the item has been active within the last two years.

Procedures currently in place for communicating to customers significant changes in pricing include:

        **[a]** Price Challenge Program

        **[b]** Annual Price Change Program

        **[c]** Materiel Obligation Validation Program

        **[d]** B7 status that identifies a price change. There are some current issues to be resolved:

        **1** MILSTRIP AE8 status for documents in BB, BZ, and BV status actually conveys the price to the customer right in the Supply Status transaction. NAMI (a wholesale Army activity) has leveraged these prices on the outbound status from BSM to update their systems accordingly. The intelligence is there but just needs to be leveraged by the Services.

        **2** Out of cycle price change notification.

        **a** A B7 is not being transmitted for out of cycle price changes (all those changes that occur other than the year-end or annual price changes). A systems change is being coordinated to address this problem.

        **b** A B7 is being transmitted for Annual Price changes the majority of the time. For those times it did not work, a remedy ticket has been submitted.

The Pricing IPT will continue to investigate and recommend corrective action.


___/signed/____             Approved:____/signed/_____
ELLEN HILERT                 DONALD C. PIPP
Supply PRC Chair            Director
                                   Defense Logistics Management
                                   Standards Office


Enclosure