DLA DEFENSE LOGISTICS AGENCY

The Nation's Combat Support Logistics Agency

Supply Process Review Committee

Defense Enterprise Data Standards Office (DEDSO)
August 25, 2021 - 0900 - 1200 EST.

WARFIGHTER ALWAYS

Defense Enterprise Data Standards Office (DEDSO)
Defense IT Standards for Business Systems of the DoD Supply Chain

0900-0915	**Welcome, Admin, & Introductions**
	Tonja Carter Administrator, DEDSO/Tad DeLaney, Director, DEDSO / DASD Log
0915-1000	**Accountability Challenges in the Supply Chain for End Items under Contractor Repair**
	Tonja Carter/Rafael Gonzalez/Gail Fuller Administrators, DEDSO
1000-1015	**BREAK**
1015-1100	**DoD Component Briefings**
	DLA Pseudo RICs
1100-1145	**Segregation of Materiel by Purpose**
	Tonja Carter/Rafael Gonzalez/Gail Fuller Administrators, DEDSO
1145-1200	**Wrap Up/Outstanding Changes Awaiting Responses**
	Tonja Carter/Rafael Gonzalez/Gail Fuller Administrators, DEDSO

Welcome, Introductions, and Remarks

BLUF:

To understand some of the challenges with maintaining accountability of end items while under contractor repair.

- What are the challenges Components are facing with the accountability of end items while under contractor repair?
- Components elaborate on how information is shared/exchanged between contractors and the government.
  - What transaction formats are used?
  - What workarounds are in place today?
- Any related NFRs/audit findings?
- Have the Components identified any procedural or policy gaps?
- Any challenges with part number changes due to contractor repair?

DoD Component Briefings
DLA Pseudo RICs

Segregation by Purpose

BLUF:

To understand the need for segregation of materiel in warehouses beyond the line item (NSN, Supply Condition Code, and Materiel Owner).

Background:

- The Air Force is using SDRs to segregate materiel at DLA warehouses causing a significant increase in suspended stock. The intent of SDRs is to report materiel discrepancies at time of receipt and not to segregate materiel.

- Components are using pseudo RICs to segregate materiel at DLA warehouses. The intent of the RIC is to identify the Inventory Control Point (ICP)/materiel owner therefore, pseudo RICs are not a way to segregate materiel. In addition, DLA will no longer be able to support pseudo RICs under the DLA Warehousing System.

- Current functionality is comprised of one alpha character and limited to intra Component use. In order to support current and future needs for materiel segregation, DEDSO is working on expanding the existing purpose code. The changes to the purpose will allow greater flexibility while supporting existing practices under legacy environments.

Why segregate by purpose? Expanding the existing purpose code will enable all DoD storage activities to segregate materiel under an authorized materiel owner by a particular program/initiative, or purpose.

Current

- 1 Alpha character long

- Limited to intra-Component use

- Not equally implemented across DoD

- No Physical Segregation

Proposed Future

- Variable length up to 6 alpha-numeric characters and dashes, no other special character or spaces

- Available for intra and inter Component use

- Current practices with a single character purpose code will not be affected

- Standard procedures

- Physical and Systemic Materiel Segregation

- New process to assign purpose code via transactions

Materiel Owner (QTY 7)
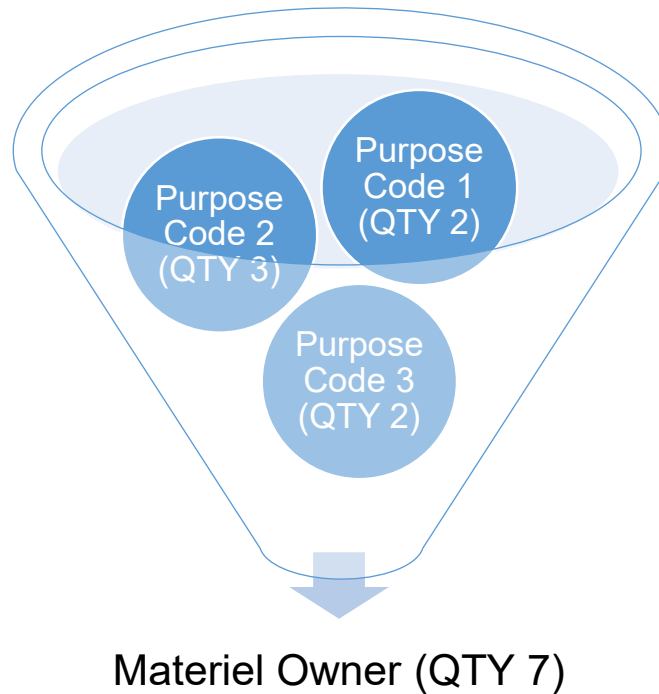
- The materiel owner will remain financially responsible for the assets therefore, storage activities will report and reconcile inventory records only with the materiel owner regardless of the purpose code.
- The materiel owner will be responsible to assign the purpose code, as necessary.
- A materiel owner may use a purpose code to physically allocate/segregate materiel to identify a purpose, secondary ownership, or a program/initiative.

- What Components are using the purpose code and the ownership code? How are the Services using these codes today?

- Does the DoD need a way to further segregate materiel in storage?

- Pros and Cons of developing a new purpose code.

- Potential implementation challenges with segregating materiel in storage beyond the line item (NSN + Supply Condition Code + Materiel Owner).

- **Purpose Code/Ownership Code**
  - LOGCOM implemented the purpose code
    - Specific program
    - Utilization of asset
  - Fleet management implemented the ownership code
    - Used for proof of concept regarding MEF War reserve material
  - Concerns identify GCSS-MC use of 5-digits purpose code
  - LOGCOM functionality would have to be expanded to FLEET users

- **Implementation Impact**
  - Modification of current business rules and implementation would be significant as GCSS and DOD/DLA/Marine Corps policy do not currently support this approach.
  - USMC Policies would require modification

- **Purpose Code/Ownership Code**
  - LMP current use the purpose and the ownership code for:
    - Inventory stratification
    - Valuation
    - Used to identify a specific purpose of the inventory set aside
    - Concerns on current Purpose Codes used in LMP
    - Ownership Code is used to identify inventory owned by specific entity
    - Both Ownership and Purpose Codes are used in conjunction with Project Codes
  - **Implementation Impact:**
    - LMP would have negative impact if ownership code was omitted
    - Significant logic in LMP based on the Ownership/Purpose Code (OP)
    - Concerns identified in requisitioning by Purpose Code causing errors
    - TACOM-If the objective is that the Purpose Code is inter-component and no longer intra-component, what does "only the materiel owner will know what the purpose code value means" mean? If purpose codes are inter-component, then the purpose code should be the same for each service except for the Owner RIC

1. Should purpose code be a pre-defined value, defined in the DLM? (i.e TPFBRC)

2. Controls to prevent abuse of the purpose code.

3. Should there be a limit on the amount of purpose codes per NSN, SCC, Owner combination?

4. Would there be a cost associated?

5. Examples where a purpose code can be beneficial for DoD metrics.

Wrap Up